Folkestone & Hythe District Council

Agenda

Meeting: **Overview and Scrutiny Committee**
Date: **24 November 2026**
Time: **6.00 pm**
Place: **Council Chamber - Civic Centre, Folkestone**

To: **All members of the Overview and Scrutiny Committee**

The committee will consider the matters, listed below, at the date, time and place shown above. The meeting will be open to the press and public.

Members of the committee, who wish to have information on any matter arising on the agenda, which is not fully covered in these papers, are requested to give notice, prior to the meeting, to the Chair or appropriate officer.

This meeting will be webcast live to the council's website at https://folkestone-hythe.public-i.tv/core/portal/home. Although unlikely, no guarantee can be made that Members of the public in attendance will not appear in the webcast footage. It is therefore recommended that anyone with an objection to being filmed does not enter the council chamber.

Please note there will be 37 seats available for members of the public, which will be allocated on a first come, first served basis.

1. **Apologies for Absence**

2. **Declarations of Interest (Pages 5 - 6)**

Members of the committee should declare any interests which fall under the following categories:

a) disclosable pecuniary interests (DPI);
b) other significant interests (OSI);
c) voluntary announcements of other interests.

Queries about the agenda? Need a different format?

Contact Jake Hamilton – Tel:
Email: committee@folkestone-hythe.gov.uk or download from our website
www.folkestone-hythe.gov.uk

Date of Publication: Monday, 16 November 2026

3. **Minutes (Pages 7 - 16)**

To consider and approve, as a correct record, the minutes of the meeting held on 3 November 2026.

4. **Otterpool Park LLP Transition Plan and Budget 2027/28 (Pages 17 - 30)**

The report provides an overview of the proposed transition plan and operating budget 2027/28 for Otterpool Park LLP, which will be considered by Cabinet on 16 December 2026 and then Full Council as part of our regular budget setting processes. The report provides an update on progress to date in relation to the delivery of Otterpool Park, collaboration with Homes England and key activities proposed for the next year.

5. **Housing Tenant Satisfaction Survey Results - 2026 (Pages 31 - 56)**

This report provides Overview & Scrutiny Committee with the results of the 2026 tenant satisfaction survey.

6. **Waste, Recycling & Street Cleansing Project 2029 - Options Appraisal (Pages 57 - 158)**

The Waste, Recycling and Street Cleansing Contract expires on 15 January 2029. Earlier this year, the council along with its contract partner Dover District Council appointed experienced waste consultants Eunomia Ltd to conduct an options appraisal of future service delivery arrangements. The option appraisal has been completed and attached as Appendix 1. This report reviews the findings and makes recommendations on how the council should proceed with the objective of having new service arrangements in place from the end of the current contract.

7. **Cabinet Member updates (Pages 159 - 162)**

As per part 7.2, paragraph 14.1 of the Constitution, all Cabinet Members must attend at least one Overview and Scrutiny Committee meeting per municipal year to provide a general update on decisions made within their portfolio.

Councillor Jeremy Speakman, the Cabinet Member for Waste and Street Cleansing and Corporate Health & Safety, and Councillor Jim Martin, Leader of the Council and Cabinet Member for Otterpark & Planning Policy, will be present to provide their update (attached).

8. **Overview & Scrutiny Work Programme Tracker (Pages 163 - 170)**

This report presents the Overview and Scrutiny Committee Work Programme Tracker for 2026/27, providing an update on forthcoming agenda items, standing items, referrals from Full Council, and progress against recommendations made by the Committee.

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Declarations of Interest

Disclosable Pecuniary Interest (DPI)

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

Other Significant Interest (OSI)

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

Voluntary Announcement of Other Interests (VAOI)

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

Note to the Code:
Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

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Folkestone & Hythe District Council

Minutes

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date:	Tuesday, 3 November 2026
Present:	Councillors Tony Hills (Chair), John Wing (Vice-Chair), Abena Akuffo-Kelly, Laura Davison, Rich Holgate, Anita Jones, Alan Martin, Elaine Martin, and Paul Thomas.
Apologies for Absence:	Councillor Bridget Chapman.
Officers Present:	Jyotsna Leney (Community Partnerships Manager), Karen Weller (Environmental Protection Manager), Nicola Wilson (Head of Regulatory Services), Daisy Madder (Safeguarding Officer), Sara Whiteley (Senior Community Safety Officer), Andrew Rush (Chief Officer - Regulatory & Community Services), Tara Liam (Community Safety Officer) and Jake Hamilton (Committee Services Officer).
Others Present:	Councillor Mike Blakemore (Cabinet Member for Community & Collaboration), Chief Inspector Anjali Howard (Kent Police), Inspector Carlo Capozzi (Kent Police), Sam O'Connor (CEO Home-Start Shepway), Rebekah Button (KCC), and Cath Mison (Probation Service).

22. **Declarations of Interest**

There were no declarations of interest.

23. **Minutes**

The minutes of the meeting held on Tuesday, 22 September 2026 were submitted, approved and signed by the Chair.

24. **Minutes of the Finance and Performance Sub-Committee**

The minutes of the meeting of the Finance and Performance Sub-Committee held on 29 September 2026 were submitted and approved and signed by the Chair.

25. **Annual Review of Folkestone & Hythe Community Safety Partnership Plan 2025-28**

The Environmental Protection and Community Safety Manager introduced report OS/26/10, which provided the annual review of the Folkestone & Hythe Community Safety Partnership and enabled the Committee, in its role as the Council's Crime and Disorder Committee, to scrutinise the work of the Partnership and its responsible authorities.

The Committee received a number of presentations from representatives of the Community Safety Partnership and partner organisations, including updates from the Community Safety Unit, Health and Wellbeing activity Safeguarding and Domestic Abuse Sub-Group, Kent Police, National Probation Service.

The presentations provided Members with an overview of partnership activity undertaken during the previous year, progress against the Community Safety Partnership Plan 2025-28, emerging community safety issues, preventative and early intervention work, safeguarding activity, crime trends and future priorities.

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Members received updates from the Community Safety Unit and heard from the Community partnerships Manager The Committee was provided with an overview of the latest Strategic Assessment, community safety priorities, partnership activity, community engagement events, preventative initiatives and enforcement operations undertaken during the previous year. Members also received updates on health and wellbeing programmes, youth engagement initiatives, sports development projects, cost of living support, community resilience work and preventative interventions being delivered across the district.

Members discussed the presentations and raised a number of points, including:

- Members welcomed the extensive partnership work being undertaken across the district and commended officers for the growth in the number of organisations engaged in community safety activity. Officers advised that the Community Safety Unit now worked with more than 350 partner organisations across Kent and highlighted the importance of partnership working in delivering successful community safety initiatives.
- Members welcomed the anti-scam and fraud awareness work being undertaken across the district and sought assurance that activity was targeted towards younger residents as well as older people. Officers advised that scam awareness formed part of the schools roadshow programme and included education around online scams, social media risks, gaming platforms, social media applications and emerging technologies.
- Members discussed the growing role of artificial intelligence and technology in facilitating scams and fraud and sought assurance that community safety initiatives would continue to evolve to address

emerging risks. Officers advised that awareness raising and education formed an important part of the schools engagement programme and wider community safety work.

- Members sought clarification on how the Community Safety Partnership intended to further increase public engagement and awareness of its work. Officers advised that increasing community engagement remained a key priority and highlighted the importance of public events, awareness campaigns, community newsletters and partnership working in raising the profile of community safety activity across the district.
- Members discussed anti-social behaviour involving groups of young people and sought clarification regarding the use of dispersal powers. Officers advised that recent preventative action in New Romney had followed intelligence received from partners and social media monitoring. Members were encouraged to continue reporting concerns through the appropriate channels, including Kent Police, Community Beat Officers, My Community Voice and the Community Safety Unit.
- Members welcomed the use of My Community Voice and regular community safety newsletters and noted the importance of effective communication in raising awareness of local issues and encouraging residents to report concerns.
- Members sought clarification regarding work being undertaken to tackle the sale of illicit tobacco and vape products and concerns relating to businesses suspected of operating unlawfully. Officers outlined the multi-agency enforcement activity undertaken in partnership with Trading Standards, Immigration Enforcement, Kent Police and the Council's Licensing Team, which had resulted in seizures of illegal products from premises across the district.
- Members welcomed the preventative work being undertaken with children and young people through sports development programmes, employability initiatives and community engagement projects. Officers highlighted the Active Lives on the Marsh programme, work being delivered through the Sports Trust and the continued development of projects with partners including Strange Cargo and the Dame Kelly Holmes Trust.
- Members discussed barriers preventing residents from accessing activities, particularly within rural communities, and highlighted the importance of community transport provision. Officers advised that transport issues were being considered as part of ongoing engagement work and that opportunities to utilise existing community transport schemes were being explored.
- Members welcomed the continued support available through warm spaces, cost of living initiatives and community hubs. Members noted the importance of ensuring that support remained available during periods of extreme weather, including both colder and hotter months.
- Members expressed concern regarding anti-social behaviour affecting local businesses and public spaces and highlighted reports of incidents occurring within retail premises. Officers advised that under-reporting remained a challenge and emphasised the importance of businesses

sharing information and reporting incidents so that appropriate action could be taken.

- Members sought clarification regarding the deprivation data presented as part of the Strategic Assessment, particularly in relation to specific areas highlighted on the district deprivation map. Officers agreed to provide further information regarding the underlying data and the areas identified within the assessment.
- Members sought clarification regarding the Violence Against Women and Girls data presented as part of the Strategic Assessment, particularly the types of offences included within the figures and the factors contributing to seasonal variations. Officers agreed to provide further clarification regarding the composition of the dataset and the categories of offences recorded.

KCC & Home-Start Shepway

Members received an update from the Safeguarding and Domestic Abuse Sub-Group on work being undertaken to support vulnerable residents across the district. The Committee received information on domestic abuse services, safeguarding arrangements, the Community Safety Partnership One Stop Shop, Project Empowerment, the Phoenix Programme and preventative work with young people through the annual Year 9 Community Safety Roadshows.

Members discussed the presentation and raised a number of points, including:

- Members welcomed the work of the Safeguarding and Domestic Abuse Sub-Group and the range of agencies involved in supporting vulnerable residents across the district. Officers outlined the group's role in coordinating safeguarding activity, domestic abuse initiatives, training opportunities, information sharing and partnership working across Kent and Medway.
- Members received an update on the Community Safety Partnership's One Stop Shop service and welcomed the support being provided to victims of domestic abuse through partner organisations, including advice on housing, welfare, legal matters and specialist support services. Officers advised that the service continued to attract attendees from a wide range of backgrounds and provided access to a variety of support agencies.
- Members sought further information regarding Project Empowerment and the Phoenix Programme. Officers advised that the programme provided a structured twelve-week course for women affected by domestic abuse, focusing on healthy relationships, recognising abusive behaviours, improving wellbeing and supporting individuals to move forward positively. Members noted that the programme was currently supporting thirteen participants and was being delivered jointly by Home-Start Shepway and Rising Sun.
- Members welcomed the continued delivery of the annual Year 9 Community Safety Roadshows and the positive engagement received from schools. Officers advised that the programme was delivered across

all seven secondary schools in the district and addressed subjects including knife crime, healthy relationships, domestic abuse, radicalisation, drug and alcohol awareness, cyber crime, sextortion, exploitation and violence reduction. Members were advised that the programme had generated positive feedback from both pupils and schools and had led to safeguarding referrals where concerns had been identified.

- Members discussed the growing risks associated with technology-facilitated abuse, online exploitation and artificial intelligence. Officers advised that these themes were incorporated into the roadshow programme and wider safeguarding activity and that training had been delivered to professionals to improve awareness and understanding of emerging risks.
- Members sought assurance that safeguarding and domestic abuse awareness continued beyond Year 9. Officers advised that the programme was designed to provide young people with knowledge and resilience at an early stage, while teachers, safeguarding leads and pastoral teams were provided with information and resources to enable learning and support to continue throughout secondary education.
- Members sought clarification regarding attendance at the Safeguarding and Domestic Abuse Sub-Group. Officers advised that the meetings primarily focused on partnership working, emerging themes, service developments and safeguarding priorities rather than individual cases. While they were not generally attended by Members, concerns could be raised through partner agencies and Community Safety Partnership representatives where appropriate.
- Members welcomed the preventative and early intervention work being undertaken with children and young people and recognised the important role that schools and partner organisations played in improving awareness, resilience and personal safety.
- Members congratulated the partnership on the success of the Year 9 Community Safety Roadshows and noted that the model had been adopted elsewhere across Kent. Members were advised that the programme had also received a county-wide award in recognition of its success and impact.

Kent Police

Members received an update from Kent Police on neighbourhood policing activity, crime trends and community safety priorities across the district. The presentation included information on neighbourhood policing resources, anti-social behaviour, retail crime, violence against women and girls, drug-related offending, community engagement activity and recent enforcement operations undertaken in partnership with other agencies.

Members discussed the presentations and raised a number of points, including:

- Members welcomed the work being undertaken by Kent Police and the wider Neighbourhood Policing Team and noted the positive impact that

visible neighbourhood policing was having within local communities. Members highlighted the improved relationship between residents and local officers and welcomed the increased confidence of residents in reporting concerns and engaging with the police.

- Members received an update on changes within the Neighbourhood Policing Team, including the restructuring of neighbourhood resources, the creation of dedicated Neighbourhood Task Force teams and enhanced capacity to tackle local priorities, anti-social behaviour and organised criminality.
- Members discussed crime trends across the district and sought clarification regarding increases in certain offence categories, including robbery, shoplifting and anti-social behaviour. Officers advised that whilst some offence categories had increased, a number of the changes reflected relatively small numbers of offences and changes in recording practices. Members were advised that shoplifting continued to reflect a national trend and that organised criminal activity, repeat offenders and improved reporting arrangements all contributed to the increase in recorded offences.
- Members sought clarification regarding the apparent contrast between increases in specific offence categories and the overall reduction in crime levels across the district. Officers explained that the figures presented represented selected crime categories and did not reflect all recorded crime, which accounted for the difference between individual increases and the overall crime position.
- Members welcomed the proactive work being undertaken to tackle retail crime, shoplifting, organised criminality, drug supply and county lines activity. Officers highlighted a number of successful operations carried out during the year, including major drug seizures, enforcement activity against organised criminality and targeted operations to disrupt repeat offenders.
- Members discussed anti-social behaviour and welcomed the use of dispersal powers and other preventative measures to address local concerns. Officers advised that recently introduced anti-social behaviour powers would provide additional tools to address persistent issues, although Members were advised that long-term solutions would continue to rely upon partnership working, education, prevention and early intervention.
- Members emphasised the importance of providing positive opportunities for young people and encouraged continued partnership working to ensure that preventative and diversionary activities remained available throughout the district. Officers acknowledged the importance of youth engagement and highlighted ongoing work with schools, youth services and Council partners.
- Members welcomed the introduction of dedicated Violence Against Women and Girls surgeries and sought assurance regarding the suitability of venues, safeguarding arrangements and officer training. Officers advised that the surgeries would be delivered by appropriately trained staff, including officers already involved in domestic abuse and

safeguarding work, and that venues would be carefully selected to ensure a safe and supportive environment for attendees.

- Members welcomed the continued partnership working between Kent Police, the Community Safety Unit and local businesses in addressing anti-social behaviour and crime affecting town centres and retail premises. Officers emphasised the importance of businesses reporting incidents and sharing intelligence so that appropriate action could be taken.
- Members discussed taxi provision within the district, particularly in relation to the night-time economy and the safety of vulnerable individuals travelling home late in the evening. Officers highlighted the benefits previously delivered through Taxi Marshal schemes and confirmed that discussions were ongoing regarding arrangements for the forthcoming festive period.
- Members sought clarification regarding the use of facial recognition technology and artificial intelligence within policing. Officers advised that Kent Police had access to facial recognition technology where operationally appropriate and that significant investment was being made nationally and locally in artificial intelligence and other technology to support crime prevention, investigations and intelligence development.
- Members welcomed the continued promotion of the My Community Voice platform and encouraged residents to register for the service. Officers advised that the platform remained an important mechanism for sharing information, consulting residents on local priorities and receiving intelligence directly from communities.
- Members sought clarification regarding how the effectiveness of neighbourhood policing activity was assessed. Officers advised that performance was measured through a combination of crime and incident data, problem-solving outcomes, community engagement, intelligence development, safeguarding activity and direct feedback received from local communities and partner organisations.

Probation Services

Members received an update from the National Probation Service on recent national reforms affecting offender management, including changes to sentencing arrangements, prison release provisions and supervision requirements within the community. Members were advised that the local Probation Service currently managed approximately 550 offenders across the Folkestone, Hythe, Dover, Deal and Sandwich areas and that increasing prison releases had resulted in a greater number of offenders being supervised within the community. Officers advised that recent changes included the introduction of a tiered supervision model based on risk, increased use of electronic monitoring and tagging, and revised arrangements intended to address pressures within the prison system.

Members were advised that public protection remained the Probation Service's primary responsibility and that offenders convicted of serious sexual offences, domestic abuse offences, terrorism offences, child-related offences and those

serving life sentences remained excluded from the early release arrangements. Officers highlighted the continuing challenges associated with securing suitable accommodation for offenders on release and outlined the positive partnership working taking place with the Council's housing services, Kent Police and Community Safety Partnership partners to support offender rehabilitation and reduce reoffending.

Members discussed the presentations and raised a number of points, including:

- Members welcomed the continued joint working between the Probation Service, Kent Police, the Community Safety Unit and other partner organisations and recognised the role that information sharing and multi-agency working played in reducing reoffending and protecting communities.
- Members sought clarification regarding the impact of staffing pressures within the Probation Service. Officers advised that the service was currently operating at approximately 75% staffing capacity and that recruitment and retention remained a challenge nationally. Despite these pressures, officers continued to prioritise public protection and the effective management of offenders within the community.
- Members were advised that a new tiered supervision model had been introduced, enabling levels of probation supervision to be tailored according to the risk posed by individual offenders. Higher-risk offenders continued to receive more intensive supervision and management.
- Members welcomed reassurance that serious sexual offenders, domestic abuse offenders, terrorist offenders, child-related offenders and those serving life sentences remained excluded from the recent early release arrangements.
- Members highlighted the positive impact of Community Payback projects across the district and welcomed examples where probation teams had supported local community organisations and facilities. Members recognised both the value these projects provided to local communities and the opportunities they created for offenders to make a positive contribution and develop skills.
- Members welcomed the offer of Community Payback support for community projects and encouraged local organisations and town and parish councils to engage with the Probation Service where suitable opportunities existed.
- Members welcomed the ongoing partnership working between the Community Safety Partnership, Probation Service and voluntary sector organisations and acknowledged the contribution these relationships made towards improving outcomes for offenders, reducing reoffending and supporting safer communities.
- Members noted the challenges associated with securing suitable accommodation for offenders on release and welcomed the continued partnership working between the Probation Service and the Council's housing services.
- Members noted comments regarding the challenges of engagement with health partners and emphasised the importance of continued efforts to

strengthen involvement from health organisations within the Community Safety Partnership. Members expressed support for receiving further updates from health partners in the future.
- Members also noted the written update provided by Kent Fire and Rescue Service, including its continued preventative work around water safety and community safety awareness.

The Cabinet Member for Community and Collaboration reflected on the response to the fire at the Burstin Hotel on 19 September 2026 and thanked the emergency services, partner agencies and wider community for their support.

Members thanked the Community Safety Partnership and partner agencies for their attendance and welcomed the collaborative work being undertaken across the district to tackle crime, disorder, anti-social behaviour and safeguarding concerns.

Members agreed to resolve the following:

1. **To receive and note report OS/26/10; and,**
2. **To receive and note the update on delivery of the Folkestone & Hythe Community Safety Partnership Plan 2025-28 and the presentations from partner organisations.**

(Voting figures: 9 For, 0 Against, 0 Abstentions)

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This report will be made public on 16 November 2026

Report Number: **OS/26/13**

To:	**Overview and Scrutiny Committee**
Date:	**24 November 2026**
Responsible Officers:	**Dr Susan Priest - Chief Executive** **Ewan Green - Director of Strategy & Partnerships**
Cabinet Member:	**Cllr Jim Martin - Leader of the Council and Cabinet Member for Otterpool Park and Planning Policy**

SUBJECT: **OTTERPOOL PARK LLP TRANSITION PLAN AND BUDGET 2027-28**

SUMMARY: The report provides an overview of the proposed transition plan and operating budget 2027/28 for Otterpool Park LLP, which will be considered by Cabinet on 16 December 2026 and then Full Council as part of our regular budget setting processes. The report provides an update on progress to date in relation to the delivery of Otterpool Park, collaboration with Homes England and key activities proposed for the next year.

REASONS FOR RECOMMENDATIONS:

Otterpool Park is an item on the Committee's Annual Workplan. Feedback from Members will be reflected in a report to Cabinet on 16 December 2026 (alongside feedback from the Otterpool Park Task & Finish Group meeting of 19 November 2026).

RECOMMENDATIONS:

1. **To receive and note report OS/26/13; and,**
2. **To provide feedback to the Leader (Cabinet Member for Otterpool Park and Planning Policy) and Corporate Leadership Team in order to shape the future activities relating to Otterpool Park.**

1. BACKGROUND

1.1 Otterpool Park, a new garden town, will be central to shaping a sustainable future for the district. It is recognised as a priority within the Council's Corporate Plan 2025-2030 'Our District, Our World' and will make a significant contribution to achieving positive outcomes for the key themes identified in the plan:

- A well-run, listening council that works closely with its partners.
- Improving people's health, wellbeing and sense of community.
- Building new homes, improving the quality of existing homes and tackling homelessness.
- Growing the economy in a sustainable way and creating opportunities for all.
- Enhancing our local environment and supporting climate action.

1.2 The initial strategic framework for the project is detailed in the approved Charter for Otterpool Park. Please refer to: https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=142&MId=4383&Ver=4

1.3 The vision for Otterpool Park is:

To deliver a next generation garden town of up to 10,000 homes that will provide sustainable living and a healthy economy: provide the best quality of life for existing and future residents and respond to local land scape and character.

Please refer to: https://www.otterpoolpark.org/vision/

1.4 Otterpool Park LLP (OPLLP) was established in May 2020 with the principal objective of acting as master developer for the delivery of the project. OPLLP is a wholly owned company of the Council, and much has been achieved since then.

1.5 The Planning and Licensing Committee (4 April 2023) resolved to grant outline planning permission for Otterpool Park. Please refer to: https://www.otterpoolpark.org/amended-outline-planning-application-approved/

1.6 The OPLLP Members' Agreement sets out the process for the approval of its business plan. This requires that every 5 years OPLLP submits its strategic business plan to the Council for approval. Within the 5-year period annual updates are also prepared and placed before the council for approval.

1.7 The first strategic 5-year business plan was approved by the Cabinet of the Council on 20 January 2021. Please refer to:

https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=142&MId=4860&Ver=4

1.8 The first annual update of the Business Plan was approved by Cabinet on 26th January 2022. Please refer to:
https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=142&MId=4950&Ver=4

1.9 In April 2023, Cabinet agreed that Officers undertake a financial assessment of the draft updated Business Plan (with input from external specialist advisors), including a risk analysis and consideration of alternative funding options which may be available to the Council and / or OPLLP. Homes England continued to support the Council by providing advice on delivery and strategic funding options. It was intended that the outcome of this work would support Members' decision making. Please refer to:

https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=142&MId=5140&Ver=4

1.10 An update report on the Otterpool Park project was considered by Cabinet on 18 October 2023. The report detailed the outcome of a management review which assessed options for the future strategic direction, funding and delivery of the project.

The resolution to grant outline planning permission on 4 April 2023 signaled that the Otterpool Park project is moving into a new phase of development which will represent a significant increase and change to the current scale and focus of activities for the Council and OPLLP.

At that stage it was therefore appropriate, and good practice, that the Council fully considered the strategic direction, funding, and delivery of the project to ensure that the vision for a sustainable new garden town at Otterpool Park is successfully delivered.

With due diligence carried out on the Otterpool Park draft updated Business Plan, it became clear that continuing to fund Otterpool Park to the level previously agreed presented a level of risk that the Council was unable to mitigate to a tolerable position. Therefore, the financing and delivery structure of the Otterpool Park project and OPLLP needed to change.

With positive progress across the project continuing to be made, Cabinet agreed that the council explore potential strategic partnership options to continue delivering Otterpool Park while reducing the Council's financial exposure, securing appropriate skills and expertise to accelerate project delivery.

It was also agreed that the Overview and Scrutiny Committee form a Task & Finish group to review any emerging joint venture proposals before the matter is returned to Cabinet for further consideration and decision. Please refer to:

https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=142&MId=5271&Ver=4

1.11 The Overview and Scrutiny Committee Task and Finish Group has met as required to consider progress in relation to collaboration activity with Homes England.

1.12 The first meeting on 18 October 2024 provided the opportunity for the Leader and Chief Executive to provide Members with an update on the work undertaken since the October 2023 Cabinet decisions. Please refer to:

https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=540&MId=5521&Ver=4

1.13 The second meeting was held on 26 November 2024, and the substantive agenda item was the proposed initial Collaboration Agreement with Homes England. Please refer to:

https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=540&MId=5532&Ver=4

1.14 The third meeting was held on 30 October 2025. Members considered a draft Heads of Terms for the proposed Planning Agreement. There was extensive detailed discussion and feedback from the group was supportive, and the proposed approach was fully endorsed.

https://folkestone-hythe.moderngov.co.uk/ieListDocuments.aspx?CId=540&MId=5727&Ver=4

1.15 Cabinet agreed to enter into the Planning Collaboration Agreement at its meeting of 10 December 2025. Please refer to:

https://folkestone-hytheintranet.moderngov.co.uk/mgIssueHistoryHome.aspx?IId=28182

2. PLANNING COLLABORATION AGREEMENT: PROGRESS UPDATE (Refer to the Appendix)

2.1 The decision to enter into the Planning Agreement was made by the Leader of the Council in a decision published on 31 October 2025:

https://folkestone-hythe.moderngov.co.uk/documents/s53226/dn20251111%20Leader%20-OP%20HE.pdf

2.2 The Planning Collaboration Agreement was entered into on the basis that Homes England, as the Government's national housing agency, has a significant level of skills and expertise in facilitating large scale development which may assist in the delivery of Otterpool Park.

Homes England support in land acquisition, early infrastructure investment to address market failure and accelerating housing delivery is seen as critical to the success of Otterpool Park.

2.3 A range of workstreams associated with the agreement have been progressed through joint working across teams from Homes England, OPLLP and the Council. This has focused on activities relating to securing outline planning, land acquisition and the opportunity for delivery of an early homes parcel. The **Appendix** presents an update on progress in relation to the workstreams. This details the outputs to date and work that is continuing through to completion and / or extended into further joint working proposals.

3. STRATEGIC PARTNERSHIP AGREEMENT (SPA)

3.1 In order to continue to progress planning and delivery of Otterpool Park it is proposed to enter into a further partnership-based agreement with Homes England over an initial 3-5 year period. This is considered a significant, positive step as it demonstrates Homes England's continued commitment to work with the Council in their roles as national housing agency and joint landowner at Otterpool.

3.2 The SPA will be based on a number of agreed key principles which are considered fundamental to ensuring progress in the short, medium and longer terms:

- **Strong strategic leadership:** A robust partnership between local and central government, able to hold and drive the Otterpool Park vision and make strategic decisions at pace.
- **Access to expertise and skills:** A structure that can bring in major-project, commercial, infrastructure, place- making, planning, procurement and investment capability when required without building a large permanent organisation.
- **Delivery of the totality of Otterpool Park:** A whole-site approach that avoids piecemeal development, protects quality and place-making, coordinates infrastructure and keeps individual phases connected to the wider town OP Charter & Vision.
- **Cost control and fair sharing:** Clear budgets, defined workstreams, transparent cost allocation, stage-gated commitments and a route for equalisation and recovery of shared infrastructure costs.
- **Risk management:** A structure that allocates rather than obscures or avoids risk, avoids unnecessary standing liabilities and allows major capital investment to be considered and funded at the point it is actually needed.
- **Governance, control and accountability:** Clear decision rights, equal public-sector influence, democratic and corporate accountability, transparent reporting and a mechanism for escalating then resolving deadlock.

- **Financial stewardship and value for money:** A model consistent with reducing Council financial exposure, securing external expertise, capacity and funding, protecting public funds and demonstrating value for money.

- **Ability to evolve:** A route that can start lean and then admit delivery partners or additional delivery architecture as the scheme matures.

3.3 The current governance structure underpinning collaboration activity between the Council and Homes England will be retained to ensure effective leadership and delivery of the project. For the Council this is through the Leader, as Cabinet Member, the Chief Executive and CLT Directors.

3.4 OPLLP will not itself be a party to the SPA (which will be entered into between Homes England and the Council) but it will play an important role (under the Council's direction) in jointly leading collaboration activity with Homes England.

3.5 The costs related to the year 1 workstreams covered by the Strategic Partnership Agreement, including progressing early housing delivery, are estimated at £5.2M. This will be shared proportionately on land holding between the Council and Homes England.

3.6 The Council's contribution will be included in the Otterpool Park Transition budget 2027-28 which will form part of the Council budget setting process.

3.7 The OSC Task & Finish Group will consider a draft Heads of Terms for the proposed SPA at its meeting of 19 November 2026. Feedback from the group will inform the final version put to Cabinet for agreement.

4. OTTERPOOL PARK LLP BUDGET 2027-28

4.1 As part of Folkestone & Hythe Budget process each year the funding requirement for Otterpool LLP is reviewed in order to inform the Medium-Term Capital Plan (MTCP).

4.2 Officers have worked with key staff within OPLLP to formulate the proposed budget based on the anticipated costs of running the LLP as well as the anticipated costs of the Strategic Partnership Agreement to March 2028.

4.3 The draft budget was presented to the Otterpool Park LLP Board on 2 November 2026, and it was agreed to propose a budget for 2027-28 to the Council. This will be considered by Cabinet on 16 December 2026 and as part of the wider Council budget setting process to February 2027.

4.4 The OPLLP budget requested is £4,609,696 and is summarised in the table below:

Planning	£	226,000	Securing Outline Planning Consent, S106 agreements, Stewardship Strategy, local plan engagement.
Other Planning and placemaking	£	25,000	Community and stakeholder engagement,
FHDC Site Responsibilities	£	208,685	Estate management, health & safety, property maintenance.
Development & Delivery	£	2,600,000	50% Contribution to SPA costs – whole site business plan, early homes delivery, land acquisition, masterplans, infrastructure plan and delivery (e.g. station upgrade, highways, utilities).
Infrastructure Design	£	70,000	Specific works required to continue to continue develop early utilities provision (e.g. Waste Water Treatment Works).
Salaries, Governance, and Overheads	£	1,080,011	OPLLP core team, office running costs.
MISC including Contingency	£	400,000	General contingency amount.
TOTAL BUDGET FY27/28	**£**	**4,609,696**	

4.5 The budget remains draft until the Folkestone & Hythe 2026-27 Budget is agreed by the Council in February 2027. Should any revisions be required this will be reflected in the final budget proposed.

5. NEXT STEPS

5.1 **Otterpool Park LLP Transition Plan and Budget 2026-27**
A report on the Otterpool Park LLP Transition Plan and Budget 2026-27 will be subject of a report to Cabinet on 16 December 2026 seeking approval of the plan and budget and recommending that this be included in the Council's 2027-28 budget setting.

6. RISK MANAGEMENT ISSUES

6.1 The Corporate Risk Register recognises that achieving the Resolution to Grant planning approval is a significant milestone, and moving into the next phase with a significantly changed context brings substantial financial and delivery risks for the Council. Please refer to Risks C9 and C10 in the

Corporate Risk Register reported to Audit and Governance Committee on 29 July 2026:

https://folkestone-hytheintranet.moderngov.co.uk/documents/s55979/Ap.1_Corporate%20Risk%20Register_OVERVIEW_Jun-26.pdf

6.2 A summary of the Corporate Risk Register risk mitigation in relation to delivery of Otterpool Park is outlined in the table below.

Perceived risk	Seriousness	Likelihood	Preventative action
Delivery of Otterpool Park Outline planning permission is held up by not agreeing the Section 106 agreement. Commercial viability is affected by lack of governance, finance and/ or resources.	Significant	Unlikely	Collaborative working arrangements between Homes England and the Council in place. Early homes parcel to accelerate delivery progressed. Planning Agreement programme in place with objective to secure outline consent. Planning and delivery strategy is under development. Detailed conversations with KCC on related planning matters are being held regularly. Homes England are developing an Investment Case for further public sector intervention. A Transition Plan and budget are in place. A regular Otterpool Owners' meeting between the Council and LLP has been in to ensure key matters affecting delivery of the project are fully considered. The Council MTFS and Capital Strategy include commitments for the project, and these are

			monitored in line with the Council's financial reporting processes.

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (EG)

There are no legal implications arising directly from the report.

7.2 Finance Officer's Comments (AM)

All relevant financial implications are covered in the report.

7.3 Diversities and Equalities Implications (MF)

There are no diversities or equalities implications arising directly from the report.

7.4 Climate Change Implications (EG)

There are no climate change arising directly from the report.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

Ewan Green, Director of Strategy & Resources
Telephone: 07783 659864
Email: ewan.green@folkestone-hythe.gov.uk

Appendix 1 - Planning Collaboration Agreement: Progress Update

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APPENDIX 1

OTTERPOOL PARK – PLANNING COLLABORATION AGREEMENT PROJECT ACTIONS 12/11/26

The Otterpool Park Planning Collaboration Agreement between FHDC (the Council) and Homes England (HE) (collectively the Parties) was agreed and signed in February 2026 and will run until 31st December 2026 (the Longstop Date). The Planning Collaboration Agreement includes, under Schedule 1, a set of Project Actions to be completed during the Collaboration Period. This document also provides a record of all key Project Actions being undertaken by the Parties and Otterpool Park LLP (OPLLP) which sit outside of the remit of the Planning Collaboration Agreement.

Key:
GREEN – Action complete
AMBER – Action is ongoing
RED – Action not undertaken

Agreed Project Action	RAG Status	Comments – as at 12.11.26
Outputs		
1. The Parties will prepare and agree a Scope of Works and Programme for the Outline Planning Application (the Application) which will be managed by OPLLP and regularly updated throughout the Collaboration Period and presented to Tier 1 / 2 on a monthly basis.		Planning scope of works agreed with Tier 1 alongside a dedicated and detailed programme. Monthly updates provided to Tier 1 and recorded in meeting minutes.
2. The Parties agree and the Council will procure that OPLLP remains the applicant for the Application and continues to lead alongside the Council in relation to the Wastewater Treatment Application and will keep Homes England regularly updated in that regard.		OPLLP remains the applicant for the Application. The Wastewater Treatment Application was granted full planning permission by Kent County Council on 28 April 2026. Updated Outline Planning Application submitted.
3. The Parties will work together to refine and develop the Early Homes Strategy in order to secure the Early Residential Parcel/s and if the agreed approach requires any of the Tier 1 site wide strategies/conditions to be discharged, then the Parties will work together to undertake this work in a timely manner to secure the Early Residential Parcel/s.		The location of the Early Homes Parcel (EHP) has been agreed between the Parties and the associated Strategy in relation to acquisition of the land and specific planning approach has been implemented. Homes England leading -

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		OPLLP oversight and direction, FHDC involvement in procurement, and sign off on affordable homes (c. 60 units).
4. The Parties will prepare and agree a communications and engagement strategy (the "Communications and Engagement Strategy") for the Collaboration Period, which will consider key stakeholders as well as the public.		All Parties continue to input into the ongoing Communications and Engagement Strategy in relation to the Application and also other Otterpool Park related activities. The engagement considers all key stakeholders as well as the local community and parishes. Communications are being considered between the parties on an ongoing basis to support the project actions.
5. The agreed Communications and Engagement Strategy will be implemented jointly by the Parties and will support the activities required to procure the grant of a Satisfactory Planning Permission.		The Strategy is being implemented by the Parties on an ongoing basis. All press releases and communications are being managed on a joint and mutual basis. Regular meetings are held with local Parish Councils.
Key Project Actions outside of the Planning Collaboration Agreement		
6. The Parties will review all third party land holdings and associated Option Agreements (where relevant) and develop a Land Assembly Strategy. The Land Assembly Strategy will be led by HE with dedicated support from the Council and OPLLP.		A Land Assembly Strategy has been put into place and is being led by HE following a detailed review of all land holdings. The Council / OPLLP is firmly embedded as an active partner in the strategy.
7. The Parties will implement the Land Assembly Strategy and progress this in parallel to other workstreams with monthly updates to be presented to Tier 1.		Significant land acquisitions have been made by HE demonstrating the implementation of the land assembly strategy prior to YE 25/26. This activity remains planned and ongoing through 26/27 and 27/28 with support to HE being provided by the Council and OPLLP.
8. The Parties will work collaboratively to secure a developer partner to deliver the Reserved Matters Permission and the delivery of the first		An initial Soft Market Testing (SMT) exercise has been undertaken to assist in the structuring of the marketing

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homes on the EHP. Due consideration will be given as to whether the developer should be required to deliver the associated infrastructure for the EHP. This process will be led by HE with support being provided by the Council and OPLLP.		process. Initial Expressions of Interest will be sought ahead of formal bids being sought in early 2027. Senior Council officers (Director level) are firmly embedded in the HE disposal team for the Early Homes Parcel (EHP) and the desire for the Council to guide the affordable homes allocation made clear.
9. The Parties will work collaboratively to assess options to establish an appropriate delivery vehicle for Otterpool Park. The Parties will also seek to progress a formal contractual position for the delivery of Otterpool Park stipulating the roles and responsibilities of the Parties moving forward.		Negotiations are now underway to capture the future relationship between the Council and HE under a long term Strategic Partnership Agreement (SPA). Key Strategic Principles to underpin the SPA agreement between the Council and HE agreed. Heads of Terms for the SPA are due to be issued to Council Cabinet in December 2026 for approval.
10. The Parties will develop a Public Investment Strategy focused on securing funding support for the delivery of Otterpool Park. The Strategy will seek to use available public funding to unlock the delivery of the Project. The Public Investment Case will be led by HE with all required support to be provided by the Council and OPLLP.		The Public Sector funding request is progressing through an internal approval process within HE. This request lies within HE's own delegations. The funding ask is focussed on costs associated with the Land Assembly as well as a future Development and Delivery ask. This is due to be formally determined by HE's Investment Committee in February 2027.

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This Report will be made public on 16 November 2026

Report Number: **OS/26/11**

To:	**Overview & Scrutiny Committee**
Date:	**24 November 2026**
Status:	**Non-Key Decision**
Responsible Officer:	**Mike Bailey, Tenant Engagement & Independent Living Manager**
Cabinet Member:	**Councillor Rebecca Shoob, Cabinet Member for Housing & Homelessness**
SUBJECT:	**2026 HOUSING TENANT SATISFACTION SURVEY RESULTS**

SUMMARY: This report provides Overview & Scrutiny Committee with the results of the 2026 tenant satisfaction survey.

Overview & Scrutiny Committee is asked to note the following recommendations:

RECOMMENDATIONS:

1. **To receive and note report OS/26/11**
2. **To note the results of the 2026 tenant satisfaction survey.**

1. BACKGROUND

1.1. In April 2023, the Regulator of Social Housing (RSH)'s revised Consumer Standards and Tenant Satisfaction Measures came into effect. This requires all social landlords such as F&HDC to collect and publish annual data on 22 Tenant Satisfaction Measures (TSMs). The data for 10 of these TSMs comes from performance information, and we are required to carry out an annual tenant perception survey to gather the data for the other 12 TSMs.

1.2. The content and wording for the perception TSMs is heavily prescribed by the RSH, although we are permitted to include other questions if we wish. As such, in 2026 we chose to include the following additional questions in our survey:

- Free text boxes asking tenants why they are satisfied or dissatisfied
- How tenants would like to be kept informed
- Demographic information

1.3. We commissioned an external company, In-house Research, to deliver this year's survey on our behalf. They hosted the online version of the survey, input paper responses received, conducted telephone surveys and provided the full set of raw data.

1.4. All 3,349 current tenants were sent a paper survey booklet in the week commencing 1st June 2026 inviting them to either complete the paper copy or go online to complete the survey.

1.5. The survey closed on 31st July 2026, and we received a total of 605 responses. This exceeds the minimum of 522 responses the RSH requires us to achieve and equates to a response rate of 18% and a margin of error of +/- 3.5%. The table below shows the number of responses received from each method:

Paper	331 (54.7%)
Online	77 (12.7%)
Telephone	197 (32.6%)

2. HEADLINE RESULTS

2.1. Overall satisfaction

	2020	2022	2023	2024	2025	2026
TP01: Overall satisfaction with the housing service	68%	68%	71%	70%	76.4%	**79.4%**

We continue to see an increase in overall satisfaction with the housing service, and our score of 79.4% is 7.6% higher than the national median.

Cross-tabulating this measure with the other TSMs demonstrates that the single strongest driver of overall satisfaction with the housing service is TP04 (satisfaction that the home is well maintained). We already perform well on this measure, with a 2026 score of 78.5%; 6.6% higher than the national median.

2.2. Keeping properties in good repair

	2020	2022	2023	2024	2025	2026
TP02: Satisfaction with repairs	61%	68%	72%	67%	75.8%	**82.0%**
TP03: Satisfaction with time taken to complete most recent repair	N/A	61%	66%	63%	73.0%	**79.0%**
TP04: Satisfaction that the home is well maintained	N/A	65%	70%	65%	75.6%	**78.5%**

It is promising to see an increase in satisfaction across all 3 repairs-related TSMs. This is reflected in our strong performance during 2025/26:

- 98.8% of emergency repairs completed on time
- 98% of non-emergency repairs completed on time

Our scores also compare favourably to the national medians: TP02 is 8.4% higher than the national median, TP03 is 9.5% higher and TP04 is 6.6% higher.

2.3. Maintaining building safety

	2020	2022	2023	2024	2025	2026
TP05: Satisfaction that the home is safe	N/A	65%	78%	70%	78.5%	**84.0%**

This is another pleasing increase in satisfaction, and again this is reflected in our strong compliance performance during 2025/26:

- 99.96% of properties with a valid Landlord Gas Safety Record
- 100% of blocks with a valid Fire Risk Assessment
- 100% of blocks with a valid Legionella Risk Assessment
- 100% of properties with a valid Electrical Certificate
- 100% of blocks asbestos compliant
- 100% of lift safety checks completed

Our 2026 score of 84% is 6.4% higher than the national median.

2.4. **Respectful and helpful engagement**

	2020	2022	2023	2024	2025	2026
TP06: Satisfaction that we listen to and act on tenant views	52%	49%	55%	54%	61.8%	**67.8%**
TP07: Satisfaction that we keep tenants informed about things that matter to them	62%	62%	71%	61%	71.6%	**76.3%**
TP08: Agreement that we treat tenants fairly and with respect	N/A	68%	72%	68%	74.6%	**80.7%**

All three TSMs related to engagement have shown an increase in satisfaction for the second year running. We continue to keep tenants informed via our quarterly newsletters and bulletins, via updates on social media, and we consult tenants on any proposed changes to the housing service, ensuring their views are fed into the decision-making process.

2.5. **Effective handling of complaints**

	2020	2022	2023	2024	2025	2026
TP09: Satisfaction with our approach to handling complaints	N/A	50%	34%	27%	36.4%	**36.8%**

This remains our lowest scoring measure; however, this is not unique to F&HDC, and our score of 36.8% is 1.3% higher than the national median.

The score for this measure continues to be affected by a misunderstanding among tenants over what is defined as a complaint. The RSH requires us to use a filter question to ask respondents whether they have made a complaint in the past year; in 2026, 117 tenants said they had made a complaint, however this does not tally with our own complaint volumes, as we only received a total of 52 formal complaints during 2025/26.

As such, we will continue to run communications to educate tenants on what is, or what is not, classed as a complaint.

2.6. **Responsible neighbourhood management**

	2020	2022	2023	2024	2025	2026
TP10: Satisfaction that we keep communal areas	N/A	70%	70%	64%	74.3%	**79.8%**

clean and well maintained						
TP11: Satisfaction that we make a positive contribution to neighbourhoods	N/A	48%	59%	53%	60.7%	**66.3%**
TP12: Satisfaction with our approach to handling anti-social behaviour	N/A	51%	54%	48%	54.0%	**62.5%**

Again, all three scores in this section have increased for the second year in a row. The 8.5% increase in satisfaction with handling ASB is particularly positive, and is likely a direct result of improved recording, monitoring and management of ASB cases following the establishment of our Neighbourhood Relations Officer role. All three scores compare favourably to the national medians; TP10 is 13.1% higher than the national median, TP11 is 1.7% higher and TP12 is 3% higher.

3. RISK MANAGEMENT ISSUES

3.1. A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Poor performance of the housing service results in a decrease in satisfaction across any or all TSMs	High	Low	The housing team performs well, and performance is monitored both monthly and quarterly by officers and councillors. Continuing to achieve our targets and communicating our strong performance to tenants in our newsletters and bulletins will assure them of the high level of service we provide.
Continued misconception of what is classed as a complaint results in a poor TSM score for complaint handling	Low	High	We will continue to run communications to increase awareness of what is, and what is not, classed as a complaint. We will also continue to feature complaint

			trends, volumes and outcomes in newsletters and bulletins.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1. Legal Officer's Comments (KP)

As a social housing landlord, the council is required to comply with the Regulator of Social Housing's Consumer Standards. Tenant Satisfaction Measures are mandatory under the Social Housing (Regulation) Act 2023 and implemented by the Transparency, Influence and Accountability Standard in England as introduced by the Regulator of Social Housing.

4.2. Finance Officer's Comments (LW)

There are no financial implications arising directly from this report.

4.3. Diversities and Equalities Implications (MB)

There are no diversity or equality implications arising directly from this report. The 2026 tenant satisfaction survey achieved a good cross-section of responses across protected characteristics, and the tenant equality and diversity information we have gathered in responses has been added to their tenancy files, which will allow us to tailor the services we provide according to tenants' individual needs.

4.4. Climate Change Implications (JW)

There are no climate change implications arising directly from this report.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Mike Bailey, Tenant Engagement & Independent Living Manager
Telephone: 01303 853270
Email: michael.bailey@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

Regulator of Social Housing: Transparency, Influence & Accountability Standard (including Tenant Satisfaction Measures)

Appendices:
Appendix 1: Full report

APPENDIX 1

Tenant Satisfaction Measures

Insight-to-Action Report

Folkestone & Hythe District Council

Reporting period: 1st April 2026 to 31st March 2027

Prepared by	**In-house Research Ltd**
Primary audience	**Leadership Team**
Report date	**August 2026**
Registered provider number	**29UL**

Private and confidential – for internal board and executive use only.

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Methodological note and benchmarking caveat

This report is based on TSM perception survey data collected by In-house Research Ltd, with fieldwork completed on 31st July 2026. The achieved sample of 605 completed interviews (197 by telephone, 77 online and 331 by post) was drawn as a full census of the relevant tenant population, with telephone interviewing used to prioritise under-represented groups identified during fieldwork. Results are Low Cost Rental Accommodation (LCRA) measures only, consistent with F&HDC's stock profile as a stock-holding local authority landlord with no shared ownership (LCHO) stock identified.

All national and peer benchmark comparisons use the Regulator of Social Housing's (RSH) TSM Full Data publication for 2024/25; the most recently published national dataset at the time of writing. F&HDC's own 2026/27 fieldwork is therefore being compared against sector data that is up to two years older. This is a standard, unavoidable lag for in-year reporting and should be stated wherever these comparisons are used externally. Three benchmark groups have been built for this report: the National LCRA median (353 landlords), a Local Authorities-only LCRA median (158 councils), and a Kent peer group median (7 councils: Dartford, Gravesham, Medway, Ashford, Canterbury, Thanet and Dover). The other five councils in Kent have no retained LCRA stock to benchmark against, having stock-transferred their housing in previous years.

Year-on-year comparisons use figures from previous survey waves carried out by In-house Research Ltd, not the RSH-published historic dataset as these are more up to date and compare 2026/27 results with those achieved by F&HDC in 2025/26.

Executive summary

79.4%
Overall satisfaction (TP01), +7.6pp vs National LCRA median

605
Completed interviews; full census, all 12 wards

C1
RSH consumer grade, first-ever judgement, Jul 2026

36.8%
Complaint handling (TP09) – lowest score, board priority

Folkestone & Hythe District Council's 2026/27 tenant survey shows a genuinely strong headline position: overall satisfaction of 79.4% sits above the National LCRA median (71.8%), the Local Authority-only median (68.5%) and the Kent peer group median (72.6%). Every one of the twelve TSM measures sits at or above all three benchmark groups; a result consistent with the Regulator of Social Housing's first-ever regulatory judgement for the council, published 29th July 2026, which awarded a Consumer C1 grade ("delivering the outcomes of the consumer standards").

That headline masks a clearer, more useful story underneath it. **Complaint handling (TP09, 36.8%) is the weakest score of any measure by a wide margin**, and the survey's own service-exposure analysis shows why this matters more than its benchmark position suggests: residents who made a complaint report overall satisfaction of just 64.7%, against 81.1% for residents with no recent service contact; a 16.4 percentage point penalty. Complaint handling is also flagged by the council's own board as a top-three concern, alongside maintaining the new C1 grade and continuing recent ASB improvement (TP12 improved +8.1pp, the largest year-on-year movement of any measure).

The verbatim evidence points consistently at three practical fixes: closing the loop on long-running repairs and complaints so residents get a final answer rather than silence; making grounds maintenance and communal cleaning standards consistent across areas, since this is both the largest single negative theme by volume and the measure with the widest benchmark gap (TP10, +13 to +20pp depending on comparator); and continuing the momentum already visible in the recent repairs re-procurement, which residents notice and credit by name (the contractor, Mears, is praised in 26 separate comments).

This draft cannot yet triangulate these survey findings against operational management information (repairs, complaints, ASB and safety compliance data for the current reporting year) because the year is still open. Section 8 sets out what's needed and why the board scorecard and some priority actions are presented as provisional pending that data.

Section 1: About Folkestone & Hythe District Council

Folkestone & Hythe District Council is a stock-holding local authority landlord in Kent, owning and managing ~6,684 homes directly (2,856 houses. 2,754 flats, 815 bungalows and 259 maisonettes) across 12 wards spanning Folkestone, Hythe, Romney Marsh and the surrounding rural area. Stock is entirely Low Cost Rental Accommodation, so this report and its companion data workbook cover LCRA measures only.

Day-to-day repairs are delivered through Mears, following a recent re-procurement of the repairs and maintenance service that included tenant involvement in shaping the new repairs policy. The RSH's July 2026 judgement specifically welcomed Mears' recent relocation of its contact centre to Folkestone and the introduction of a resident liaison officer role.

A council in transition

Two governance changes sit alongside this year's survey and are relevant context for the board. First, on 16th July 2026 the government confirmed that Kent and Medway will be reorganized into four new unitary councils from April 2028; F&HDC, Kent County Council and all other Kent districts will be abolished, with F&HDC becoming part of the new Mid Kent unitary authority alongside Ashford and Swale. Continuity of the housing service, governance and TSM reporting through this transition is a live risk area for the board to track over the life of this report.

Second, the council has been under no overall control since 2019 and has been run by a minority Green/Liberal Democrat administration, led by Cllr Jim Martin, since May 2023. Chief Executive is Dr Susan Priest (since April 2018). Neither change appears to have disrupted service delivery based on this year's results, but both are worth noting for board assurance purposes.

Section 2: Sector context

2.1 The regulator's view

On 29th July 2026 the Regulator of Social Housing published its first-ever regulatory judgement for F&HDC, following an inspection completed that month. The council was awarded a **Consumer C1 grade** – the top grade, meaning the landlord is judged to be delivering the outcomes of all four consumer standards. The judgement is a strong, independent, third-party endorsement that sits alongside this survey's own positive headline results, and gives the board real corroboration rather than relying on the survey alone.

The judgement did flag some areas consistent with this survey's own findings: 5.3% of homes did not meet the Decent Homes Standard at the time of inspection (with most forecast to return to decency by March 2027); the council was not previously reporting overdue health and safety remedial actions to councillors (now fixed, with regular reporting to the Finance and Performance Sub-Committee and Cabinet); and a tenant-led scrutiny investigation into ASB led to enhanced capacity and communication changes; which lines up with this survey's own ASB verbatim theme and TP12's strong year-on-year improvement.

2.2 National TSM context

Nationally, LCRA overall satisfaction (TP01) has a median score of 71.8% across the 353 landlords reporting to RSH for 2024/25; local-authority only landlords report a lower median of 68.5%, reflecting a well-documented sector pattern where

councils tend to score below housing associations on several TSM measures, particularly complaint handling and communication. F&HDC's result of 79.4% sits comfortably above both.

2.3 Regulatory and legislative watchlist

Two developments are worth tracking against this report's roadmap. **Awaab's Law** continues to raise the profile of damp, mould and hazard response timescales across the sector. This is directly relevant given this survey's own damp and mould verbatim theme (20 negative comments) and the council's own flagged concern about legislative change and media attention on this measure (TP05). The **Complaint Handling Code** continues to set the timescale bar that RSH judgement noted F&HDC performing strongly against; the survey's own finding that a meaningful share of complaint-related comments describe no resolution or response (see Section 6) suggests the gap is in outcome, not timescale – the same pattern seen nationally in Housing Ombudsman reporting.

Section 3: Survey methodology and assurance

In-house Research Ltd completed fieldwork for this survey on 31st July 2026, achieving 605 responses via a full census approach: postal invitations were sent to all households in scope, with an online completion option, and telephone interviewing was used specifically to prioritise response from groups identified as under-represented during the fieldwork. No further weighting was applied. Response was split 331 by post (54.7%), 197 by telephone (32.6%) and 77 online (12.7%).

The achieved sample is broadly representative of the stock population across tenure type, property type, property size, construction era and length of tenancy – all within a few percentage points of the known population split. The one notable variance is age: residents aged 65 and over are over-represented in the achieved sample relative to the population, and residents aged 25-44 are under-represented. This is a common pattern in resident surveys and should be borne in mind when reading age-based segmentation, but does not undermine the overall result given the otherwise close alignment of every other profile dimension.

Profile dimension	Largest variance (population vs. sample)	Read-across
Tenure type	0.9pp	Closely aligned
Property type	2pp	Closely aligned
Property size	2pp	Closely aligned
Construction era	3pp	Closely aligned
Length of tenancy	3pp	Closely aligned
Tenant age	8pp (65-74 band over-represented)	The one dimension with a meaningful gap – see note above

Four TSM measures use a screening question and are reported on a smaller base than the full sample: TP02/TP03 (repairs, asked only of residents who had a repair in the period, base n=389 & n=386 respectively), TP09 (complaints, asked only of residents who made a complaint, base n=117) and TP10 (communal areas, asked only of residents with communal areas applicable, base n=248). TP09's base in particular is small enough that individual segment cuts of this measure should be treated with caution.

Section 4: Headline TSM results

4.1 Summary dashboard

The table below shows all twelve LCRA perception measures for F&HDC's 2026/27 survey, against National LCRA median, the year-on-year change versus the council's own prior survey wave, and RAG status. RAG here reflects both the benchmark position and whether a measure is a board-flagged priority; a measure can be Amber despite sitting above benchmark if it's a priority area for action (see Section 7).

Measure	F&HDC 2026/27	Nat. LCRA median 2024/25	Gap to median	Prior year	Year-on-year	Base n	RAG
TP01 Overall satisfaction	79.4%	71.8%	+7.6pp	76.5%	+2.9pp	601	Green
TP02 Repairs service	82.0%	73.6%	+8.4pp	75.4%	+6.6pp	389	Green
TP03 Repair timeliness	79.0%	69.5%	+9.5pp	72.8%	+6.2pp	386	Green
TP04 Home well maintained	78.5%	71.9%	+6.6pp	75.3%	+3.2pp	595	Green
TP05 Home is safe	84.0%	77.6%	+6.4pp	78.4%	+5.6pp	587	Green
TP06 Listens to views and acts	67.8%	61.6%	+6.2pp	61.8%	+6.0pp	546	Amber
TP07 Keeps residents informed	76.3%	72.0%	+4.3pp	71.5%	+4.8pp	574	Green
TP08 Treats fairly and with respect	80.7%	77.9%	+2.8pp	74.4%	+6.3pp	566	Green
TP09 Complaint handling	36.8%	35.5%	+1.3pp	36.4%	+0.4pp	117	Amber
TP10 Communal areas	79.8%	66.7%	+13.1pp	74.1%	+5.7pp	248	Green
TP11 Positive neighbourhood contribution	66.3%	64.6%	+1.7pp	60.8%	+5.5pp	507	Green
TP12 ASB handling	62.5%	59.5%	+3.0pp	54.4%	+8.1pp	411	Amber

Note: Prior wave figures are supplied directly by In-house Research Ltd from F&HDC's TSM survey in 2025/26, not the RSH published historic dataset (see methodological note above). Local Authority-only (68.5% median) and Kent peer group (72.6% median) benchmarks are available in the companion data workbook for every measure.

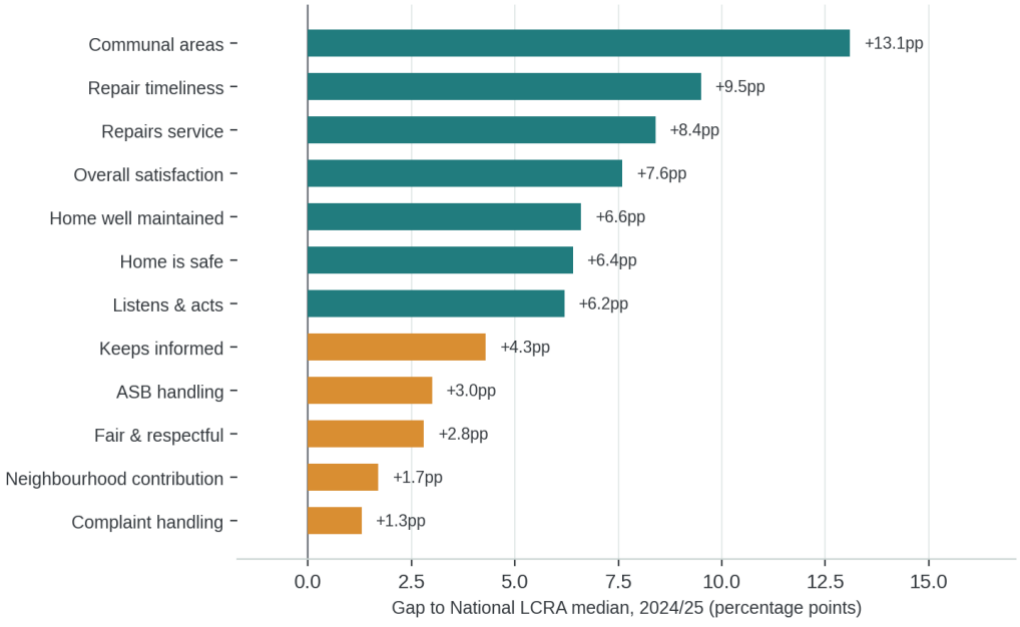


Figure 1. Gap to the National LCRA median (2024/25) across all twelve perception measures.

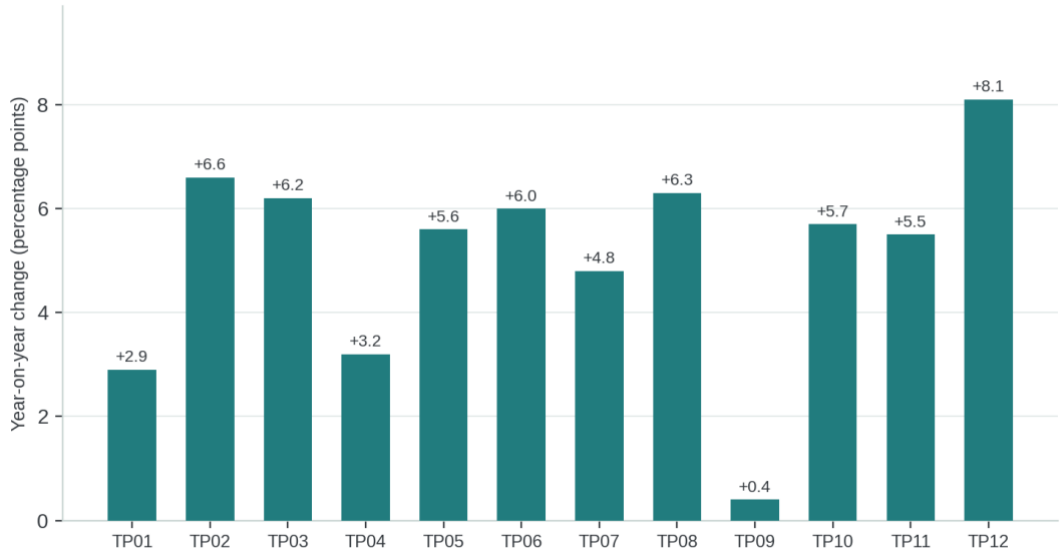


Figure 2. Year-on-year movement by measure, versus the council's own prior survey wave. Every measure improved.

4.2 What's driving the headline number

Every measure improved year-on-year, with no exceptions. Movements range from +0.4pp (TP09) to +8.1pp (TP12). This is genuinely positive, broad-based pattern rather than a single standout measure carrying the average. The largest absolute gaps to the National benchmark are TP10 communal areas (+13.1pp), TP03 repair timeliness (+9.5pp) and TP02 repairs service (+8.4pp); the smallest are TP09 complaint handling (+1.3pp) and TP11 neighbourhood contribution (+1.7pp) – both still above benchmark, but by the thinnest margins of any measure.

Two measures earn an Amber RAG here despite sitting above every benchmark: **TP09 complaint handling**, because it is the lowest absolute score of any measure (36.8%) and the survey's own service-exposure analysis shows a large satisfaction penalty for residents who complaint (see Section 5); and **TP06 listens and acts**, because it is the strongest statistical driver of overall satisfaction found in this survey (see Section 7) while also being F&HDC's weakest-performing measure among the top drivers.

Section 5: Core findings

5.1 The complaints paradox: strong process, thin resolution

TP09 complaint handling is F&HDC's lowest score (36.8%) despite the RSH's July 2026 judgement finding that the council "addresses complaints fairly, effectively and promptly" and has "sustained high levels of performance over the last three years," responding to all Stage 1 and Stage 2 complaints within Housing Ombudsman timescales in 2025/26. As with the national pattern the Housing Ombudsman regularly reports, meeting timescales does not automatically translate into residents feeling their complaint was resolved.

The survey's service-exposure analysis makes the stakes concrete: residents who made a complaint report overall satisfaction (TP01) of just 64.7%, against 81.1% for residents with no recent repair or complaint contact; a 16.4 percentage point penalty. This is the single clearest finding in the dataset for where dissatisfaction concentrates, and it is a bigger gap than any segment cut in Section 9.

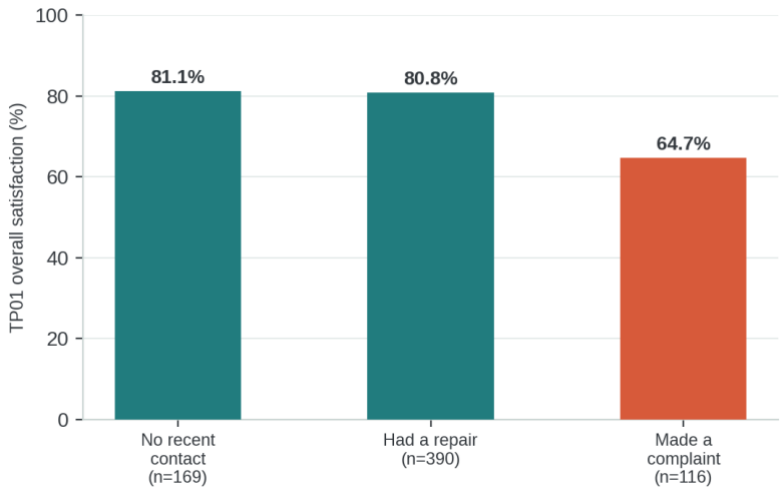


Figure 3. Overall satisfaction by service contact type. Having a repair barely moves the needle; making a complaint does.

> *"Made a complaint in April 2026. As of June 2026 had no response."*

Keyword-assisted coding of the open-text complaints comments found that at least 11 of the 51 negative Complaints Handling comments (27%) explicitly describe no action, no response, or being ignored – likely an undercount, since many more comments describe the same experience in different words. This is consistent with the council's own answer to this year's report questions, which named "undelivered promises" as the key driver of complaint dissatisfaction.

5.2 Home condition is the strongest driver of overall satisfaction

Correlation analysis supplied by In-house Research Ltd (testing each TSM measure against TP01 overall satisfaction) found **TP04 home well maintained** to be the single strongest driver (r=0.637), ahead of TP06 listens and acts (r=0.560) and TP02/TP08 (both r=0.548). F&HDC already scores well on TP04 (78.5%, +6.6pp vs National), but because it carries so much weight in overall satisfaction, protecting it should be treated as the top investment priority – not because it's currently weak, but because it matters most.

The verbatim evidence for this measure clusters around three specific issues: long-running or unresolved repairs (28 comments), poor workmanship or "bodged" jobs (8 comments), and cold homes caused by old windows and poor insulation (14 comments).

> *"Waiting too long for issues to be fixed (Repairs). 4 years for 1 job to be done. Just keeps being signed off." "It would be great if they could turn up and actually fix it, instead of bodging it."*

5.3 Grounds maintenance: the biggest single verbatim theme, and the biggest benchmark gap

TP10 communal areas has both the largest gap to every benchmark (+13.1pp National, wider still against LA and peer medians) and the largest single negative verbatim theme by volume: 22 comments describe overgrown alleyways, weeds, litter or missed communal cleaning. A near-equal and opposite theme (39 positive comments) describe a neighbourhood that is "clean and tidy" or "well looked after". This suggests this is inconsistent across areas rather than a uniform problem, which is actionable: identify what the well-regarded areas are doing differently and apply it where the negative comments concentrate.

> *"Keep the pavements clear of weeds & cut grass regularly. Also disabled car park is full of weeds & blocked drains."*

5.4 Communication: the theme that cuts across every service area

Seventeen comments in the Tenant Involvement open-text question specifically describe a lack of communication or follow-through, the dominant theme in that question, and the same pattern recurs in the complaints and repairs comments. This directly explains why TP06 (listens and acts) is both a top statistical driver of satisfaction and F&HDC's weakest-performing measure among the top drivers (67.8%).

> *"There is no communication from them. When I ring to ask questions or speak to anyone, they aren't available, or they say they will call me back, but I never get a call back."*

A related by distinct theme concerns ASB and neighbour disputes: 17 comments (across the Complaints Handling and Neighbourhood Management questions) describe repeatedly reporting an issue with no visible action. This is worth reading alongside TP12's strong +8.1pp year-on-year improvement. The trend is positive, but the verbatim evidence suggests residents want to see follow-up even where a case has to be closed without formal action.

5.5 What's already working: a genuine positive theme, not just an absence of complaints

Consistent with good reporting practice, it's worth stating plainly what residents say is going well, not only what needs fixing. The recently re-procured repairs contractor, Mears, is praised by name in 26 separate comments – directly corroborating the RSH judgement's finding that recent changes (the contact-centre relocation and resident liaison officer role) have been well received. Staff helpfulness and responsiveness is the largest positive theme in the whole dataset (94 comments), and 104 residents describe a straightforward, low-friction tenancy with no issues at all.

> *"Overall, they are very efficient and polite. The workers are always on time. If I have any problems, it's easy to get a hold of them if you need any repairs done or anything like that."*

Section 6: Resident voice

Verbatim themes below are drawn from the six open-text questions in the survey (1,596 non-blank comments in total), coded using keyword-assisted analysis and spot-checked against a manual read of a sample of comments per question. Counts should be read as directional rather than an exhaustive manual code.

Theme	Sentiment	Comments	Linked TSM
Grounds maintenance & communal cleaning	Improvement needed	22	TP10, TP11
Long-running or unresolved repairs	Improvement needed	28	TP02, TP03, TP04
Damp and mould	Improvement needed	20	TP04, TP05
Communication and follow-through	Improvement needed	17	TP06, TP07
ASB and neighbour disputes unresolved	Improvement needed	17	TP11, TP12
Cold homes: windows and insulation	Improvement needed	14	TP04, TP05
Complaints not resolved or acted on	Improvement needed	11	TP09
Vulnerability and adaptations delays	Improvement needed	9	TP01, TP05
Repair quality / workmanship	Improvement needed	8	TP02, TP03, TP04
No issues / general satisfaction	Positive	104	TP01
Staff helpfulness and responsiveness	Positive	94	TP01, TP08
Pride in neighbourhood / feels safe	Positive	39	TP10, TP11

Theme	Sentiment	Comments	Linked TSM
Repairs contractor (Mears) performance	**Positive**	26	TP02, TP03

Full theme detail, including resident impact, likely operational cause and recommended action for each is in the companion data workbook.

Section 7: Driver and key factor analysis

Combining the correlation analysis with F&HDC's current performance produces a priority score (relative importance x room to improve) that highlights where action would move overall satisfaction the most, rather than simply ranking measures by how far below benchmark they sit.

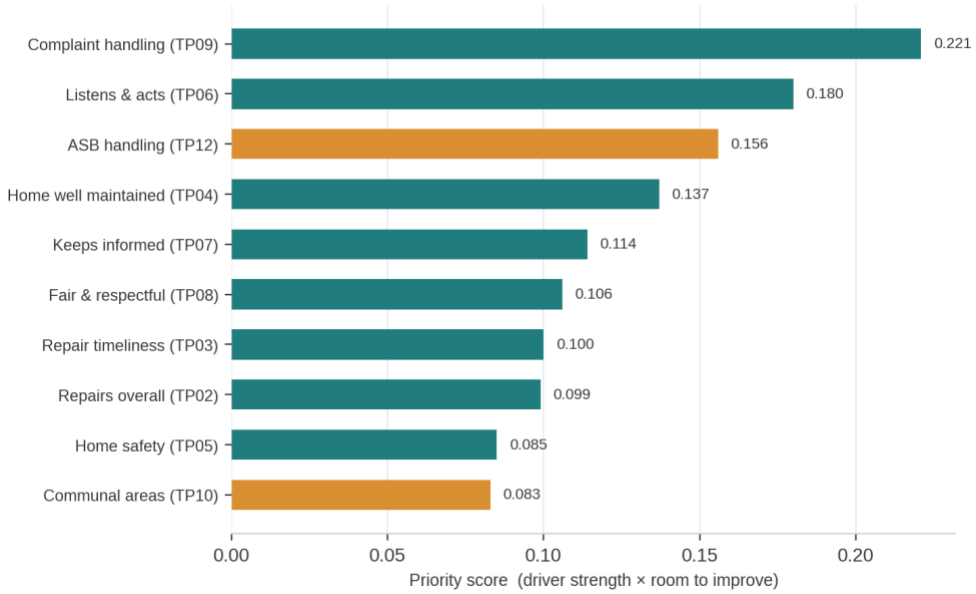


Figure 4. Priority score by measure (driver strength x room to improve). Complaint handling ranks highest despite sitting at/above benchmark.

Complaint handling (TP09) ranks as the single highest priority despite a below-average correlation with overall satisfaction (r=0.350) – it's very low absolute score (36.8%) and the 16.4pp service-exposure penalty identified in Section 5 outweighs the moderate correlation. Listens and acts (TP06, r=0.560) and ASB handling (TP12, r=0.415) round out the top three. Full driver-by-driver detail, including evidence sources and recommended actions, is in the companion data workbook.

Section 8: Management information - pending

This section is intentionally incomplete. The 2026/27 reporting year runs to 31 March 2027 and is still open, so repairs, complaints, ASB, safety compliance and damp/mould management information cannot yet be finalised or reconciled against the survey findings above. This section will be completed once data is available, or once in-year figures are available, whichever is sooner.

In the meantime, the RSH's July 2026 regulatory judgement provides some independent, if qualitative, assurance on several of these areas:

- **Repairs:** at the time of RSH's inspection, 99% of emergency and 98% of non-emergency repairs were being completed on time, with 400 jobs in progress and only 18 overdue.
- **Decent Homes:** 5.3% of homes did not meet the Standard, with most forecast to return to decency by March 2027.
- **Complaints:** 100% of Stage 1 and Stage 2 complaints were responded to within Housing Ombudsman timescales in 2025/26, sustained over three years.
- **Damp and mould:** all initial risk assessments completed within 24 hours and standard investigations within 10 days; 100% of emergency investigations and safety works completed within 24 hours.
- **Building safety:** no buildings above 18 metres; 5 blocks between 11-18 metres on a 2-year fire risk assessment cycle. Hard compliance percentages for BS01-BS05 (gas, fire, asbestos, water, lift safety) were not disclosed in the judgement and are requested directly in the figures once available.

These are useful directional indicators but are not a substitute for the council's own current year MI, which is needed to reconcile operational performance against this survey's perception results – particularly for TP09 complaint handling, where the gap between process compliance and resident-reported outcome is this report's central finding.

Section 9: Segmentation summary

The council's own analysis groups wards into broad "local areas"; the clearest geographic pattern at that level is between Romney Marsh (TP01 72.1%, n=122), which scores lowest of all local areas, and lowest specifically on TP02, TP03, TP04, TP06, TP07, TP09 and TP11 – and Hythe (TP01 89.5%, n=128), which scores highest. This Romney Marsh local area spans several individual wards (including New Romney, Romney Marsh ward itself, and Walland & Denge Marsh), which is why the ward-level chart below shows the individual "Romney Marsh" ward performing well (81.6%) while the wider Romney Marsh local area performs worst – the area's weakest wards (New Romney at 64.7%, Walland & Denge Marsh at 70.0%) are pulling the local area average down. At individual ward level, New Romney and Folkestone Central are the two lowest-scoring wards; Sandgate & West Folkestone (100%, n=11, small base) and Hythe Rural (86.3%, n=51) are the highest.

Ward and local-area boundaries don't map neatly onto each other in the underlying data – worth bearing in mind if reporting both cuts to the same audience.

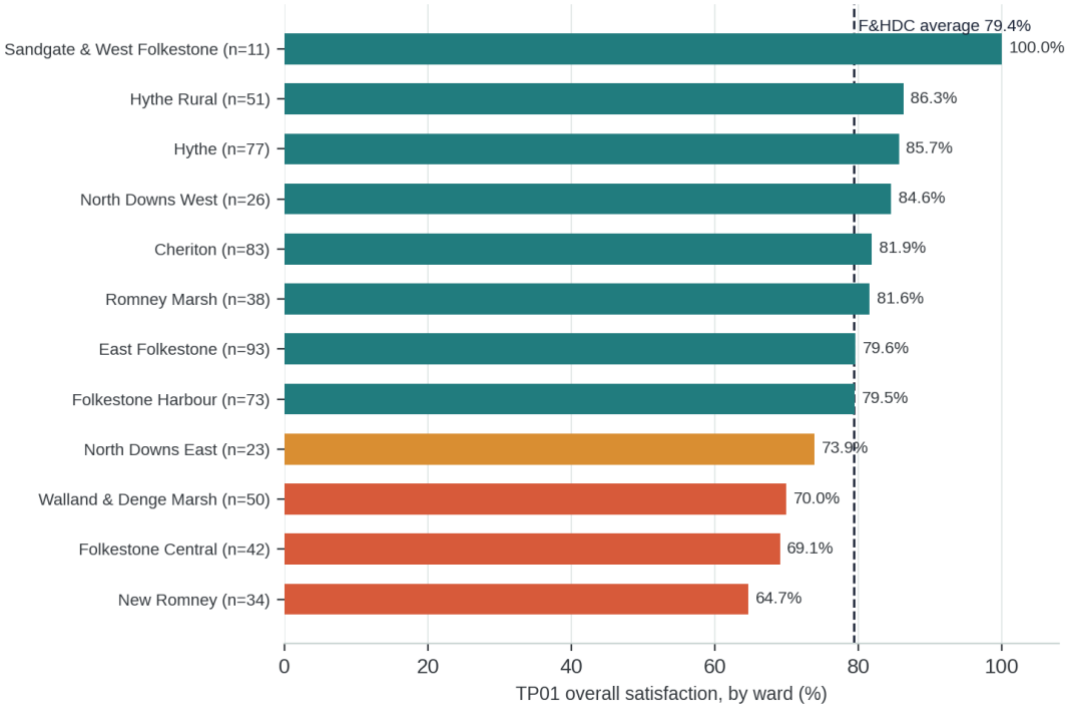


Figure 5. TP01 overall satisfaction by ward. Bars below the dashed line sit under the F&HDC average; red bars are 8+ points below average.

By tenure type, Independent Living residents score highest on overall satisfaction (86.2%, n=109), ahead of Affordable (83.9%, n=31), General Needs (77.5%, n=395, the bulk of the sample) and Age Designated (77.3%, n=66). Independent Living residents score highest across seven of the twelve individual measures (TP01–TP06 and TP10), consistent with a smaller, typically more supported cohort.

By length of tenancy, satisfaction doesn't move in a straight line: residents in their first year (89.7%, n=39) and those over 20 years (84.2%, n=158) are both more satisfied than residents in the middle years of their tenancy, 6–10 years is the lowest point (71.4%, n=63), with 11–20 years close behind (74.2%, n=124). A dip in the middle of the tenancy lifecycle, bookended by a strong start and strong long-term loyalty, is a distinct pattern from the age-based one below and worth its own line of enquiry: for example, whether expectations set during onboarding are being sustained through the years that follow.

Segment	Group	TP01	Base n
Tenure type	Independent Living	86.2%	109
Tenure type	Affordable	83.9%	31

Segment	Group	TP01	Base n
Tenure type	General Needs	77.5%	395
Tenure type	Age Designated	77.3%	66
Length of tenancy	Less than a year	89.7%	39
Length of tenancy	Over 20 years	84.2%	158
Length of tenancy	4–5 years	80.8%	52
Length of tenancy	1–3 years	78.8%	165
Length of tenancy	11–20 years	74.2%	124
Length of tenancy	6–10 years	71.4%	63

9.1 Age: a clean, monotonic pattern

Age produces the cleanest pattern of any segment tested: satisfaction rises steadily and almost without exception through each older age band, from 54% among residents aged 35–44 (n=46) to 91% among residents aged 75 and over (n=154). This is a common pattern nationally and is hypothesised in part to family-related pressures among younger and middle-aged households, but the scale of the gap, 37 percentage points between the lowest and highest band, is larger than any other segment cut in this report. Given the sample's own age skew (Section 3, older residents over-represented), the 35–44 and 18–24 results in particular should be read as directional given their smaller bases.

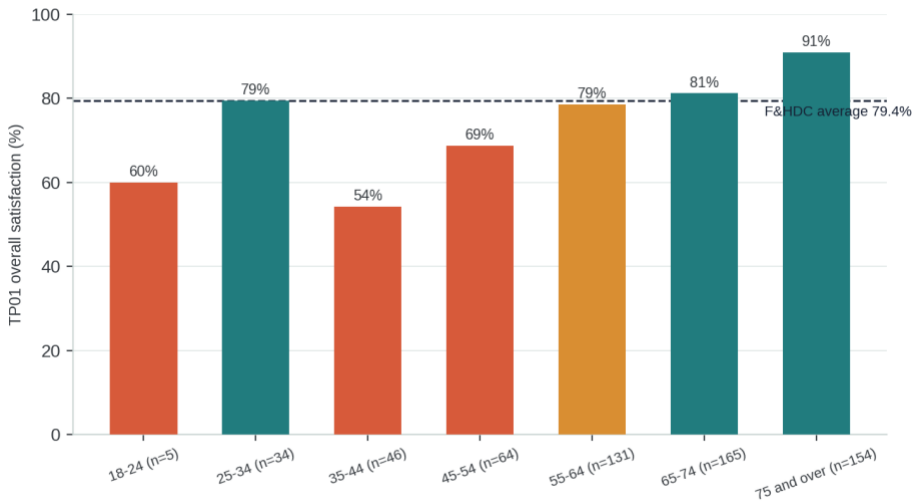


Figure 6. TP01 overall satisfaction by age band. Bars below the F&HDC average are shown in colour; the pattern rises almost monotonically with age.

9.2 Property type: maisonettes are a clear outlier

This is a new finding not previously highlighted: residents in maisonettes report overall satisfaction of just 54.5% (n=22), against 79–81% for every other property type: houses, flats and bungalows all cluster tightly around the F&HDC average. A 25–point gap on a single property type, even on a modest base, is large enough to warrant its own look rather than being absorbed into the overall average; if there is a common factor across these 22 households (a specific block, a specific era of construction, or a specific issue like communal access or heating), it should be identifiable and fixable in a way a diffuse problem wouldn't be.

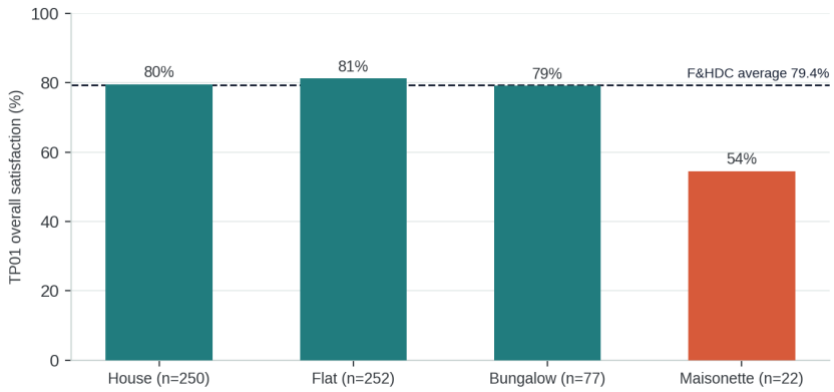


Figure 7. TP01 overall satisfaction by property type. Maisonettes sit well outside the range of every other property type.

Property size, by contrast, shows no comparable pattern: satisfaction ranges narrowly from 77% to 87% across bedroom counts, with the smallest and largest bases (0-bedroom, n=23, and 4-bedroom, n=13) at the edges of that range.

Section 10: Priority actions

Priority 1: Close the loop on complaints, not just the clock

TP09 is the single highest priority measure in this report, driven by its very low absolute score and the 16.4pp satisfaction penalty for residents who complain. The RSH judgement confirms the process meets timescales; the survey confirms residents don't feel resolved. Reconcile the "no response" cases identified in the verbatim data (Section 5.1) against the formal complaints log once it's available. If these contacts never entered the tracked process, that is itself a significant finding.

Priority 2: Protect and evidence home condition (TP04) as the top driver of overall satisfaction

TP04 is already a strength (78.5%, +6.6pp vs National) but carries the most weight of any measure on overall satisfaction. Prioritise the long-running repairs and workmanship-quality issues identified in the verbatim data ahead of lower-impact work, and track this measure closely as a leading indicator once repairs MI becomes available.

Priority 3: Make grounds maintenance and communal cleaning consistent, not just adequate on average

TP10 has the widest benchmark gap of any measure, but also the largest single negative verbatim theme by volume, alongside a strong positive counter-theme. This points to inconsistency rather than a uniform standards problem. Use the well-regarded areas as an internal benchmark and spot-audit contract delivery in the areas generating negative comments, starting with the wards and local areas identified in Section 9.

Priority 4: Introduce a "no silence" communication standard

Communication and follow-through is the dominant negative theme in the Tenant Involvement question and recurs across repairs, complaints and ASB comments. A simple standard, acknowledge within a set timeframe, name a case owner, proactively update before any target is missed, would directly target TP06, the strongest statistical driver of overall satisfaction after TP04, and F&HDC's weakest-performing measure among the top drivers.

Priority 5: Reconcile survey findings against MI once the year closes

This report cannot yet triangulate perception results against repairs, complaints, ASB, safety and damp/mould management information because the reporting year remains open. Treat closing this gap via the management information, or an interim in-year extract, as an action in its own right. Several of the above priorities (particularly Priority 1) depend on it for full assurance.

Section 11: Board scorecard (provisional)

Outcome measures below use this survey's confirmed results. 90-day/6-month/12-month targets are provisional: proposed based on this year's trend and driver analysis, for board discussion rather than sign-off. Leading indicators that depend on repairs/complaints/ASB MI are marked pending.

Measure	Current 2026/27	90-day milestone	6-month target	12-month target
TP09 Complaint handling	36.8%	Reconcile verbatim "no response" cases vs complaints log	38–40%	42–45%
TP06 Listens and acts	67.8%	"No silence" communication standard agreed	70%	73–75%
TP12 ASB handling	62.5%	Continue current trajectory (+8.1pp last wave)	65%	68–70%
TP04 Home well maintained	78.5%	Aged-repairs recovery list created (pending repairs MI)	80%	82%
TP10 Communal areas	79.8%	Spot-audit plan agreed for lowest-scoring areas	82%	85%
TP01 Overall satisfaction	79.4%	Baseline confirmed, priority actions live	81%	83–85%

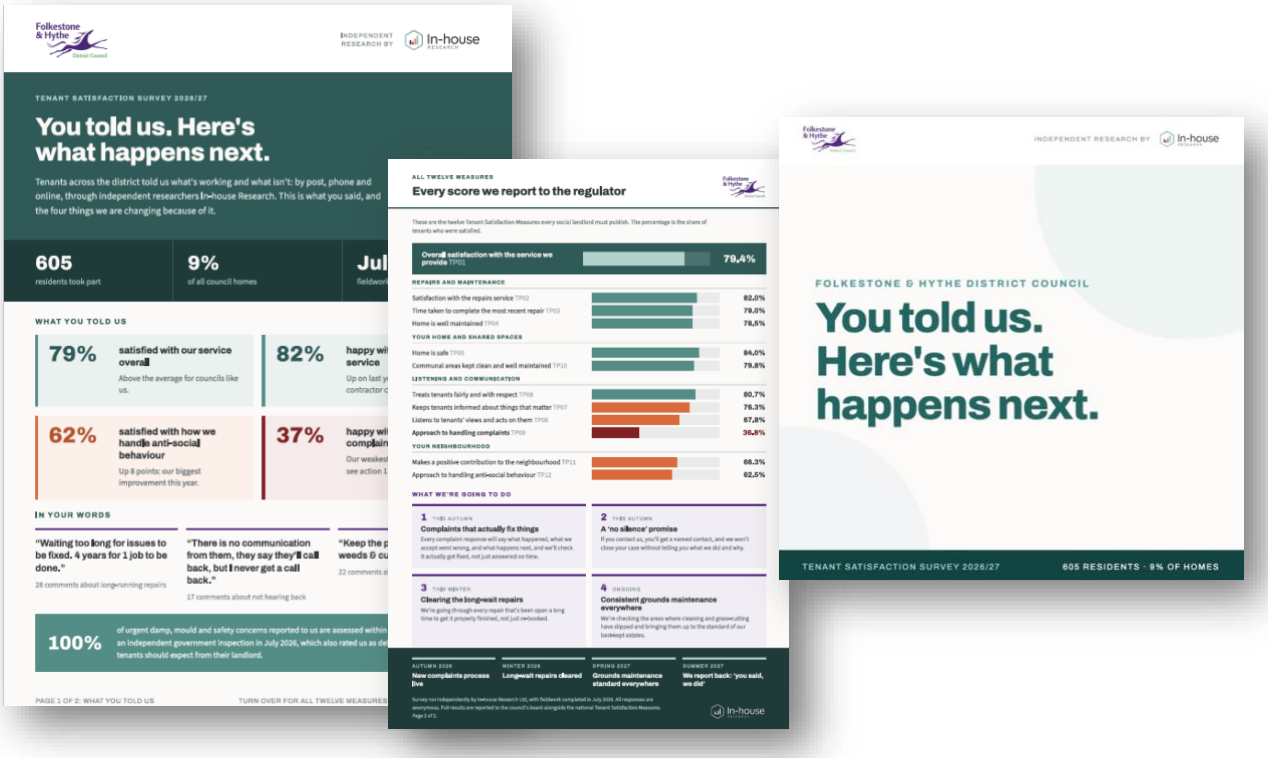
Leading indicators – pending management information

- Repairs open more than 60 days, first-time fix rate, repeat repairs (pending repairs MI)
- Stage 1 / Stage 2 complaints in timescale, upheld rate (pending complaints MI)
- Damp/mould written summaries issued in target (pending damp & mould hazards MI)
- BS01-BS05 statutory compliance (pending safety & decency MI)

Section 11: Resident-facing communication

In-house Research Ltd have prepared a resident facing infographic that provides the perception scores in an easy to read format pending board approval. In addition, a short animation has been created for social media or web publication, pending approval of the agreed actions and priorities.

It is important to thank residents for their participation to evidence their feedback has real-impact on service delivery and to encourage future participation in subsequent survey waves.



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Report prepared by In-house Research Ltd for Folkestone & Hythe District Council. This report contains analysis based on survey data collected by In-house Research Ltd and is intended for internal board and executive use. All resident verbatim comments are anonymised. No personally identifiable information is included in this document.

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This Report will be made public on 16 November 2026

Folkestone & Hythe District Council

Report Number: **OS/26/12**

To:	**Overview & Scrutiny**
Date:	**24 November 2026**
Status:	**Key Decision**
Responsible Officer:	**Ewan Green, Director of Strategy & Resources**
Cabinet Member:	**Cllr Jeremy Speakman, Cabinet Member for Waste, Street Cleansing and Corporate Health & Safety**

SUBJECT: **WASTE, RECYCLING & STREET CLEANSING PROJECT 2029 – OPTIONS APPRAISAL**

SUMMARY: The Waste, Recycling and Street Cleansing Contract expires on 15 January 2029. Earlier this year, the council along with its contract partner Dover District Council appointed experienced waste consultants Eunomia Ltd to conduct an options appraisal of future service delivery arrangements. The option appraisal has been completed and attached as Appendix 1. This report reviews the findings and makes recommendations on how the council should proceed with the objective of having new service arrangements in place from the end of the current contract.

REASONS FOR RECOMMENDATIONS:

To ensure that the council has waste, recycling and street cleansing arrangements in operation from the end of the current contract in January 2026.

RECOMMENDATIONS:

1. **To receive and note report OS/26/12; and,**
2. **To review and feedback on the recommendations made in the report.**

1. BACKGROUND

1.1. The Waste, Recycling and Street Cleansing Contract expires on 15 January 2029. It is the council's largest single contract with an annual contract value for FHDC currently around £6.9 million a year. This is partly offset by incomes from garden waste subscriptions, recycling and the new Packaging Extended Producer Responsibility scheme (pEPR). The contractor is Veolia Environmental Services who were first contracted in 2011 and were successful again at the 2021 tender. It is a joint contract with Dover District Council with whom we have also worked in partnership since 2011. The contract is managed by a joint waste team comprising officers from both authorities.

1.2. Previous waste and street cleansing projects have proceeded through the following main project stages:

- **Options Appraisal Stage** – This stage determines the main issues around the service scope, including how the service is to be delivered in the future (i.e. inhouse direct, LATCo indirect or outsourced). Previous reviews have considered the advantages/disadvantages of different collection schemes (i.e. how frequent types of bins and mix of materials), although this is now largely standardised by the Simpler Recycling requirements.

- **Service Specification (Procurement) Stage** – This stage takes the outcomes from the options appraisal stage and prepares a detailed service specification/design for implementation. This will then form the specification for a procurement exercise or the basis for a LATCo or in-house service arrangement. This stage will include any tender exercise, evaluation and award.

- **Service Transition Stage** – The level of service change will determine the length and complexity of the transition stage to the new contract/service arrangements. Typically for an outsourced arrangement, the service transition will start around six months before the end of the contract and will encompass the first year of operations. Key issues for the transition period are the procurement and delivery of service vehicles and other equipment, contract drafting (in both an outsourced or LATCo scenario), IT integration, depot preparation and staff transfer (i.e. TUPE).

1.3. At the end of 2025, a joint project was established with DDC to start work on the next service arrangements when the current contract ends. The first stage was to review service options. To assist with this stage, the councils undertook a procurement exercise for support from a professional waste consultant to complete the review calling upon their market knowledge and industry expertise. This resulted in the appointment of Eunomia Research & Consulting Ltd in late May 2026.

1.4. The plan was for the outcome of the Eunomia review as well as other work completed internally to be drawn together as a series of recommendations to be presented for Cabinet approval that would inform the 'specification' stage of the project.

This would include consideration of the following:

- **Service Delivery Options** – How best to deliver the service? The risks, cost and advantages of the different service options.

- **Local Government Reorganisation -** The impact of Local Government Reorganisation, specifically whether it would be more advantageous to extend the contract with the current contractor. Alternatively, should the council continue to jointly contract with DDC?

- **The Collection Scheme** – Any changes to the collection scheme in terms of scope, mix of materials and frequency.

- **Vehicle Fleet Renewal** – Separate to the contract ending in January 2029, the vehicle fleet (and other plant and equipment) is reaching the end of its operational life, where breakdowns become more frequent, and the cost of maintenance increases. The vehicle fleet was purchased through public works borrowing by DDC and FHDC who own the fleet based at their respective depots. The loan funding was repaid by reduced contract costs. Ideally, it would be better to keep the fleet renewal in synch with the new service arrangements.

1.5. The new service arrangements will need to be operational from the end of the current contract on 15 January 2029. Decisions related to the service specification need to be taken well in advance due to lead-in times for procurement and allowing for a sensible period of transition to the new service.

1.6. The final report from Eunomia is attached as Appendix 1.[1]

2. JOINT WORKING/CONTRACT EXTENSION

2.1. The first decision is whether to continue the joint working partnership with DDC, which would include the shared waste contract team. Prior to LGR, this would have been a far simpler recommendation. The two councils had worked in partnership[2] since the first joint contract in 2011. The joint contract achieved economies of scale and cost savings mainly through shared management arrangements for the contractor and the shared Waste Team. There is shared plant and equipment between both depots. Both districts are similar in numbers of households as well as the urban/rural split. The joint contract gives greater commercial clout and resilience.

2.2. The LGR proposals announced in July 2026, specifically DDC being placed within the proposed East Kent unitary boundary and FHDC within the proposed Mid Kent Boundary, initially challenged whether a joint contract was still viable. The option of extending the current contract with Veolia until

[1] 'Dover DC and Folkestone & Hythe DC Commissioning Option Evaluation – October 2026'
[2] Joint Working Agreement – DDC & FHDC 2021

2032, to coincide with the end of Ashford and Swale's contract[3] appeared to be a good prospect. However, the LGR 'pause' announced by the government in September and the subsequent revised timetable announced at the end of October[4] has increased uncertainty around the extension option. Eunomia in their report summarised the position after the September 'pause' as:

'The justification for such an extension would be stronger if LGR proceeds, as a temporary extension may facilitate the transition to new unitary authorities and support the future integration of services. Should LGR not proceed, the rationale for extending the contract would be less compelling, increasing the potential risk of legal challenge from the market. Consequently, whilst the likelihood of challenge may remain limited, DDC and FHDC would require specialist legal advice to assess the lawfulness of this approach and the level of risk associated with pursuing this option.' – Section 2.2 page 8

2.3. To provide some additional context to the financial and legal risks from extending the contract.

- The current contract does not include a contract extension clause. This would have required extending the contract beyond the termination date in 2029. The procurement regulations allow for contract variations in limited circumstances and subject to restrictions. The supporting reasons would have been that LGR could not have been foreseen when the current contract was entered into and that any extension was time limited and in the short term. The risk of legal challenge from another commercial competitor would have remained.

- A contract extension would have required agreement being reached with the current contractor. From initial enquiries, this would have been likely achieved but at an increased contract cost.

- A contract extension would have un-synched, the purchasing/funding decisions for the vehicle and plant renewal from the start and end of the contract.

2.4. The autumn revisions to LGR programme, has weakened further the rationale for an extension, including the possibility the unitary boundaries may be redrawn. The assessment reached by Eunomia[5] is that DDC and FHDC continue to work in partnership.

The recommendations for this section are:

- The council continues to work jointly with DDC in the provision of waste, recycling and street cleansing arrangements.

[3] Ashford BC and Swale DC work in partnership with Maidstone BC and have a joint contract with Suez Ltd ending in April 2032.
[4] The October LGR announcement was after Eunomia's final draft report.
[5] 'Table 1.2 and 8.3 Summary and Recommendations'

- The partnership extends to the continued management of any new arrangements through a joint waste team with officers seconded from both authorities.

2.5. It should be noted at this time; the extension option remains open depending on how LGR develops. This continues to be the case until the formal start of any procurement exercise.

3. SERVICE DELIVERY OPTIONS

3.1. The main part of the Eunomia Report reviews the different service delivery options.

These include:

- Contract Extension – Option 1
- Outsourced Contract (either jointly or separately) – Option 2 & 3
- In-house Direct Managed Service – Option 4
- Local Authority Trading Company (jointly or separately) – Option 5 & 6

3.2. The report is structured as follows:

- Part 1 - Introduction and summary.
- Part 2 - Background and local context.
- Part 3 - Summary of the advantages and disadvantages of each option.
- Part 4 - The assessment framework used to score each option
- Part 5 - Summary of framework evaluation and outcomes.
- Part 6 - Detailed breakdown of the cost evaluation.
- Part 7 – Discussion of the risks of each option.
- Part 8 – Conclusions and recommendations.

3.3. There is no inherently superior model for delivering waste and street cleansing services. When councils change how they deliver their services, it is often in reaction to problems with their current provision rather than the intrinsic merits of the alternative. Eunomia, mirroring the approach you would take in a procurement exercise, have scored each option against a price and quality criteria summarised in Table 4.1 on page 14.

The final rankings are as follows:

First	Outsourced Contract (joint contract with break clause)
Second	Outsourced Contract (separate contracts each authority)
Third	Contract Extension
Fourth	Local Authority Trading Company (jointly owned)
Fifth	Local Authority Trading Company (individually owned)
Sixth	In-house Directly Managed (each authority)

3.4. Eunomia identify the main advantages of continuing to outsource the service as cost, transfer of operational and financial risk and familiarity with the service model. They identify the main disadvantages as service inflexibility (i.e. service changes need to be negotiated), tender underbidding, and that

service problems can escalate into contract disputes requiring a legal resolution.

3.5. We generally agree with Eunomia's assessment and rankings. Financially, outsourced services have advantages related to LGPS costs and competitive bidding does place pressure on contractors to restrict their margins. We would agree with the report that the main financial risk does arise from contractor's underbidding on the initial tender, which then results in service problems as a contractor seeks to recoup costs through service cuts. This can be mitigated in part through the procurement process (i.e. specification and price/quality criteria). There are also advantages in that it is a service model we have the most experience with. Both the in-house and LATCo models would have higher set up/transition costs and risks.

3.6. In terms of risk, the report identifies the transfer of financial and operational risk as an advantage of an outsourced service. From experience whilst this is the case there are also limits. For example, the financial risk from spikes in fuel cost are mitigated in the short term but will feed into the annual contract indexation uplift. Likewise, whilst day-to-day operational risks are transferred, any sustained service problems can quickly escalate to become a reputational issue for the council. Arguably, this is the case with every service model.

3.7. The report also states that an advantage of an in-house and LATCo service is that the council can exercise greater control typically in making service changes. This is contrasted with an outsourced service where service changes require negotiation and contractors may be more inflexible. To an extent this depends on the type of service change being proposed. For example, an extension to the contract would require negotiation and a formal contract change. We have however found that the current contract flexible enough to adjust to most operational changes.

3.8. The Eunomia report additionally recommends that any new outsourced contract runs for eight years with an optional midpoint break clause in contract year four. The inclusion of a break clause is recognition that the future of LGR remains uncertain. This is a reasonable suggestion although in practice break clauses can be difficult to negotiate and action. Break clauses can result in increased front-loaded contract costs. Procurement lead in times mean that any decision to end the contract in advance of contract year four would need to be made early in the contract, probably in the second year.

3.9. The recommendations for this section are:

- The council continues to outsource the service delivery of the waste, recycling and street cleansing service.
- The council looks to continue to jointly contract with DDC.
- The council engages in a procurement exercise with the objective of a new contract coming into operation from 16 January 2029.

- The new contract is for the period of eight years with a proposed mid-point break clause at year four. The break clause will need to be commercially viable.

4. THE COLLECTION SCHEME

4.1. The current collection scheme is alternate weekly collections of general waste (week 1) and recycling (week 2) with a weekly food collection. The size and type of bins and containers used are:

General (Residual) Waste
- 180 litre green lidded wheeled bin

Dry Mixed Recycling (Glass/ Cans/ Plastic etc.)
- Purple lidded wheeled bin (Various sizes)
- 55 litre purple box

Paper/ Card
- 55 litre black box

Food Waste
- 23 litre kerbside caddy

Garden Waste (Subscription Service Only)
- 180 litre brown lidded wheeled bin

4.2. The collection scheme was last reviewed in preparation for the last tender. There has been no similar review this time as the government in their Simpler Recycling proposals has identified the collection method we have already adopted as the recommended approach.[6]

4.3. Where further consideration is needed is whether to move from alternate weekly collections to three-weekly collections. A possible collection cycle could be:

- General/Residual Waste — Week 1
- Dry Mixed Recycling — Week 2
- Paper and Card — Week 3
- Food Recycling — Weekly

4.4. *Disadvantages* - It is recognised that many residents would see a move to three-weekly collections as a diminished service. Its application to communal properties (flats and HMOs) would need to be reviewed on an individual property basis depending on storage space. Restrictions on side waste (bagged waste left outside of the bin) would need to be strictly enforced. There would be a cost of increasing the provision of recycling bins and boxes. Whilst other councils have experienced a recycling boost after going three weekly, it is not guaranteed and may not be sustained.

[6] Defra "Simpler Recycling: household recycling in England" guidance (31 March 2026)

4.5. *Advantages* - The main arguments in favour of the change are that moving to three-weekly collections may achieve contract savings, which would help mitigate expected increases in service costs. It may also boost the district's recycling rate which has remained static at around 45%-46%, despite regular communication campaigns, and the expansion of the recycling service (e.g. ultra narrow route and communal properties). This 'flatlining' of the recycling rate is probably the result of improvements in the light weighting of packaging and will be further impacted if the planned introduction of a national Deposit Return Scheme in October 2027 proceeds. With the council committed to achieving a local recycling rate of 50% and a national recycling rate of 65% by 2035, it is difficult to see these targets being achieved without changes to the collection cycle.

4.6. Eunomia were asked to model potential costs/savings and impact on recycling rates for both authorities moving to three-weekly collections (Appendix 3).

4.7. The following table summarises the conclusions. The operational saving difference between us and DDC is explained by a greater proportion of communal properties (out of scope) and a requirement for more specialised rounds and supporting vehicles.

Measure	**Dover**	**Folkestone & Hythe**
Recycling rate after change	46.6%	48.5%
Recycling-rate improvement	3.3 percentage points	2.6 percentage points
Annual operational saving	£144,833	£2,304
Estimated additional annual Baseline Performance Payment	£75,624	£95,266
Estimated one-off transition cost	£236,989	£232,715

4.8. The Eunomia report caveats its conclusions by stating that further modelling is needed. The additional annual baseline performance payment relates to a projected recycling saving that would need to be negotiated with KCC. With LGR ending the two-tier split between Waste Collection Authorities (Districts) and the Waste Disposal Authority (KCC), this would notionally be a saving to a future unitary. The most surprising outcome from the Eunomia report is the relatively small projected increase in the recycling rate.

4.9. Overall, the negligible saving, the limited projected increase in the recycling rate and the operational risks from round changes mean there is not a compelling case for three-weekly collections. Any final decision to move to three weekly collections would also need to be followed by DDC if we were to continue with a joint contract.

4.10. The recommendations for this section are:

- The council continues to operate the same collection scheme in terms of types of bins and material mix.

- The tender includes as its primary option the continuation of the current alternate weekly collections. Members to advise if three-weekly collections should also be considered as a procurement option.

5. VEHICLE FLEET FUNDING & SPECIFICATION

5.1. No decisions are required at this stage related to the vehicle fleet specification and how its purchase would be funded. However, it is helpful to flag in advance some of the decisions the council will need to make as the procurement advances. Eunomia have included a brief report (Appendix 4) that provides an overview of the advantages/disadvantages of different vehicle fuel options.

5.2. For the current contract the decision was taken by both councils to fund directly the purchase of the new vehicle fleet including the street cleansing plant and equipment. In previous contracts, the purchase of the new vehicle fleet had been capital funded via the contractor and the cost had been recharged through the annual contract. At the time, the favourable Public Works Borrowing rates compared to the contractor's capital return meant a contract saving could be achieved through the councils' borrowing and funding directly. In the end the councils borrowed a combined total of £8,119,440 resulting in a net annual saving of £100,000 for each authority over the course of the contract. The vehicles were still specified by the contractor, who also retained the maintenance risk. The councils owned the vehicles, which was an additional safeguard if the contract had needed to be terminated.

5.3. The decision on vehicle funding will need to be assessed when a preferred bidder has been identified. However, we understand that local authority capital funding of the purchase of new vehicle fleets is increasingly the norm and the market expectation. A decision to include a midpoint break clause in the new contract would almost certainly lock the council into capital funding the new vehicle fleet itself.

5.4. The council will also need to identify during the procurement process any service requirements that would require specialised vehicles. These requirements could include expanding the use of electric vehicles by the service, notably for the waste collection rounds.

5.5. Other requirements relate to the servicing of the ultra-narrow round, which would benefit from the collection vehicle having bin lift capability without compromising its overall size and profile. There is also a related decision about the financial viability of purchasing a narrow access vehicle for garden waste collections from properties with restricted access.

5.6. On the street cleansing side, there are specific requirements related to having vehicles and/or other means to service coastal locations during the busy summer months when access will be difficult due to visitor numbers. In recent summers, Veolia have trialled and expanded the use of e-bikes to support service delivery.

6. PROJECT PLAN & GOVERNANCE ARRANGEMENTS

6.1. This final section gives an overview of the project plan and the project governance arrangements.

6.2. Attached as Appendix 2 is the high-level project plan. Main points to note:

- Project governance will be through the Waste Partnership Board (assuming DDC's participation) with regular updates to the Cabinet portfolio holder.

- The next stage would be to appoint a consultant to support the specification and procurement process. This will include external legal support to prepare the new contract, which would need to be drafted in advance. This would be funded from the budget set aside from the 2025/26 pEPR funding. Prior to entering the formal procurement process the councils will look to conduct an early market engagement exercise with potential bidders.

- The council plans to follow the Competitive Flexible Procedure under the Procurement Act 2023 and complete negotiation in two or three dialogue stages. This is similar to the approach used for the previous tender.

- It is planned the procurement process will be completed by April 2028 with outcomes reported to member briefings and a report to Overview and Scrutiny Committee in May 2026 and then to Cabinet for final award approval.

- At various stages as the procurement develops, there will be the need to update the financial projections within the Medium Term Financial Strategy and Medium Term Capital Programme.

7. SUMMARY

7.1 The following is a summary of the recommendations made in the course of the report:

- The council continues to work jointly with DDC in the provision of waste, recycling and street cleansing arrangements.

- The partnership extends to the continued management of any new arrangements through a joint waste team with officers seconded from both authorities.

- The council continues to outsource the service delivery of the waste, recycling and street cleansing service.

- The council looks to continue to jointly contract with DDC.

- The council engages in a procurement exercise with the objective of a new contract coming into operation from 16 January 2029.

- The new contract is for the period of eight years with a proposed mid-point break clause at year four. The break clause will need to be commercially viable.

- The council continues to operate the same collection scheme in terms of types of bins and material mix.

- The tender includes as its primary option the continuation of the current alternate weekly collection. Members to advise if three-weekly collections should be considered as a procurement option.

8. RISK MANAGEMENT ISSUES

8.1. A summary of the main risks.

Perceived risk	Seriousness	Likelihood	Preventative action
Delay in procurement or mobilisation, resulting in service arrangements not being ready for 16 January 2029.	High	Medium	• Procurement Plan • Appoint specialist procurement and legal support early, and monitor progress through Waste Partnership Board.
Tender prices, indexation or fleet-funding costs exceed available budgets.	High	Medium	• Test affordability through early market engagement and tender evaluation. • Assess collection options, indexation and whole-life fleet costs; update the Medium Term Financial Strategy and Medium Term Capital Programme as costs become clearer.
Insufficient competition or	High	Medium	

unsustainable tender pricing leads to poor value or service failure.			• Test bidder interest through early market engagement. • Clear specification and balanced price/quality criteria. • Review delivery assumptions including the extent of service revisions (i.e. reroute plans) to achieve contract savings. and tender sustainability.
Legal challenge to procurement, award or any proposed extension.	Medium	Medium	• Obtain specialist legal advice on procurement design, documents and award. • Maintain an evaluation and decision audit trail.
LGR uncertainty or differing council decisions disrupt joint arrangements.	High	Medium	• Agree governance, responsibilities and decision milestones with DDC. • Review LGR developments and alternatives if joint procurement cannot proceed. • Test the viability and notice requirements of the year-four break clause.
Fleet, depot, IT or staff-transfer delays disrupt mobilisation.	High	Medium	• Agree a mobilisation plan covering vehicle lead times, depots, IT testing and staff transfers. • Monitor readiness and establish contingency vehicle and operational

			arrangements before commencement.
Three-weekly collections create operational difficulties, resident concerns or reputational damage.	Medium	Medium	• Retain alternate-week collections as the primary tender option. • Assess impacts and property-specific needs before any change, particularly communal collections. • Prepare resident communications and monitor implementation.

9. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

9.1. Legal Officer's Comments (EG, Monitoring Officer)

The legal basis for council waste collection services in England is primarily derived from the Environmental Protection Act 1990. This act mandates waste collection authorities to arrange for the collection of household waste and provides a framework for the separate collection of recyclable household waste.

Local authorities are legally required to ensure that waste is collected from households in their area, and they must provide weekly food waste collections from all households by 31 March 2026. This requirement applies to all households, including flats and communal properties, and is subject to specific exclusions set out in regulations.

Local authorities also have the discretion to decide on the collection frequency and methodology for different property types, ensuring that waste collection services meet local needs and provide value for money for the taxpayer.

The report seeks approval to progress the procurement of a waste collection service via external contract in partnership with Dover District Council (DDC). Officers should ensure that the procurement process to be followed is in line with the Procurement Act 2023. In addition, partnership arrangements should be formalised with DDC to ensure appropriate contact management is in place.

9.2 Finance Officer's Comments (JS)

There are no direct financial implications arising out of the recommendations in this report. Any decisions on the waste contract would be brought forward

once proper consideration has been given to the options available and a route to market determined.

Inflationary uplifts have already been factored into the Medium Term Financial Strategy ('MTFS') based on the current waste contract cost and contract terms. However, these assumptions may need to be revisited as and when additional information comes to light on the financial resources required for this service as we progress through the procurement cycle for this significant contract.

9.3 **Diversities and Equalities Implications (GE)**

The recommendations do not change collection frequencies at this stage. Service design and procurement should ensure equal access through assisted collections, accessible communications and suitable arrangements for restricted-access and communal properties. Any move to three-weekly collections should be informed by an equality impact assessment and resident engagement, with measures to address differing household needs and monitor impacts.

9.4 **Climate Change Implications (AR)**

The Waste, Recycling and Street Cleansing Contract has several climate change implications that will need to be considered as the procurement proceeds.

- Monitoring the environmental impact of the service.
- Reducing vehicle emissions through transition to electrical vehicle fleet or continued use of fuel substitutes.
- Ensuring consistent and high service performance in recycling collections.
- Promoting recycling both in terms of waste collection and street litter.

10. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

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The following background documents have been relied upon in the preparation of this report:

(Note: only documents that have not been published are to be listed here)

Appendices:

Appendix 1:

Dover DC and Folkestone & Hythe DC Commissioning Option Evaluation

Appendix 2:
Waste & Street Cleansing High-Level Procurement Plan

Appendix 3:
Briefing Note – Three-Weekly Residual Waste Modelling

Appendix 4:
Briefing Note - Fuel Options Review

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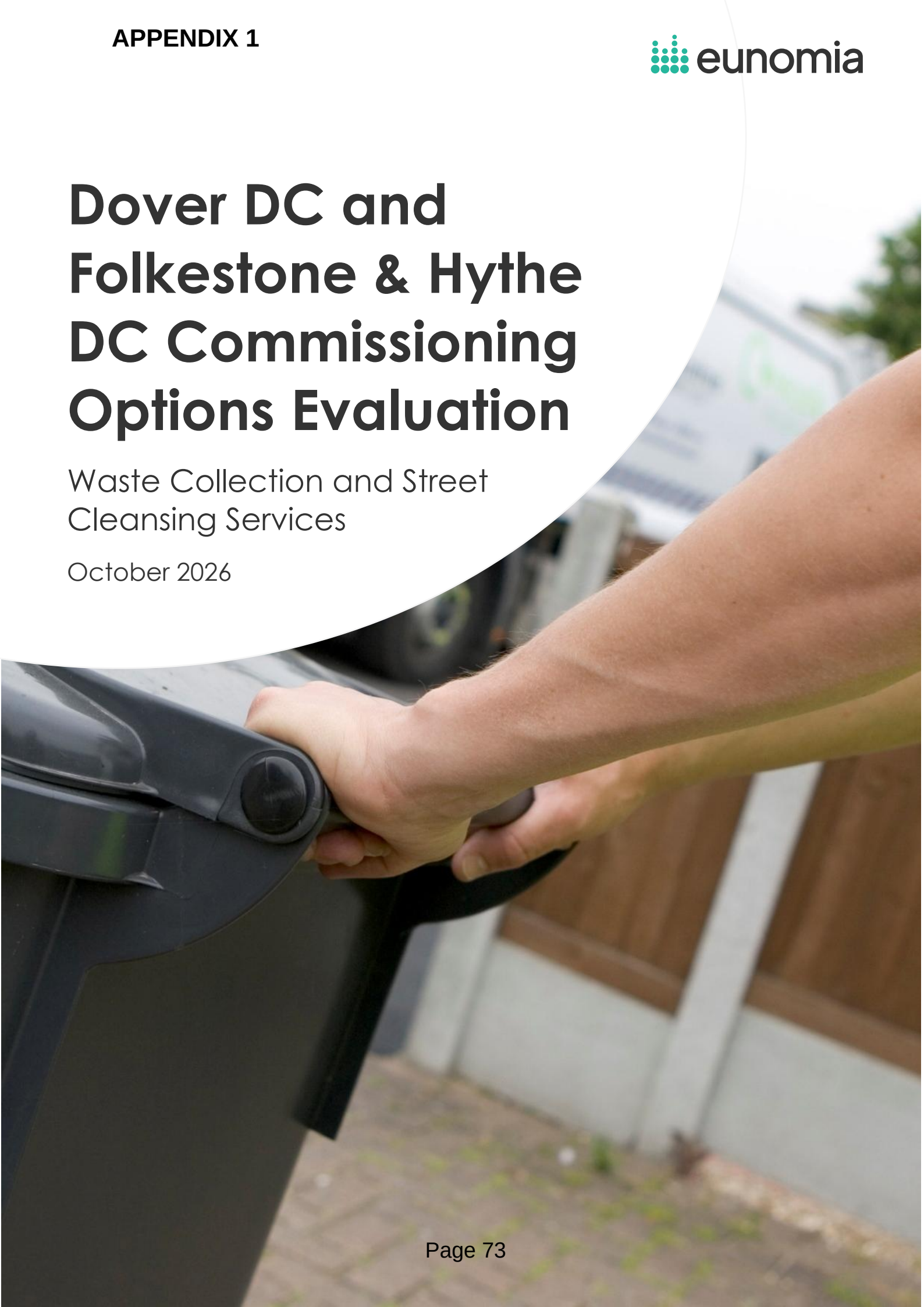
eunomia

Dover DC and Folkestone & Hythe DC Commissioning Options Evaluation

Waste Collection and Street Cleansing Services

October 2026



APPENDIX 1

Report For

Dover District Council and Folkestone & Hythe District Council

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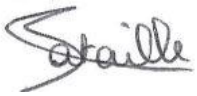

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APPENDIX 1

Executive Summary

Strategic Context

Dover District Council (DDC) and Folkestone & Hythe District Council (FHDC) have jointly delivered waste collection, recycling and street cleansing services for almost 20 years, with DDC acting as the lead authority under the current contract with Veolia. As this contract expires in January 2029, both councils must determine the future delivery model for these statutory services.

In 2026, the Councils commissioned Eunomia Research and Consulting Ltd to assess future commissioning and service delivery options. During the project, the Government had announced proposals for Local Government Reorganisation (LGR) in Kent and Medway. However, following the subsequent pause and review of the LGR programme, the future local government structure in Kent is now uncertain.

The assessment therefore focuses on the commissioning decision facing DDC and FHDC in the context of this uncertainty. The potential implications of LGR for each option are considered separately in Appendix A.1.0 and may be used as supplementary information to support decision-making.

Future Options Explored

The options analysed as part of this project are detailed below:

- **Option 1:** Extension of the Existing Joint Contract
- **Option 2:** Outsourced Service with a break clause (Single Contract)
- **Option 3:** Outsourced Service (Two Separate Contracts)
- **Option 4:** In-House Service Delivery (Two Separate Services)
- **Option 5:** Joint Local Authority Trading Company
- **Option 6:** Local Authority Trading Companies for DDC and FHDC

These options and the rationale for them are explained in Section 2.0.

Each of the six options was assessed against both quantitative and qualitative measures to ensure a balanced approach was taken to cost and risk. The detailed findings of this assessment can be found in Sections 6.0 and 7.0 of this report respectively.

Financial Modelling

Table 1-1 provides a summary of modelled costs for the future commissioning options, including annual costs and transition and mobilisation costs. The last row also provides total costs over an 8-year period, excluding inflation costs.

Table 1-1: Costs Summary

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Annual Costs	£14.50m	£13.84m	£14.45m	£16.86m	£14.20m	£15.02m
Vehicle Capital Costs	£15.83m	£15.83m	£17.10m	£18.81m	£17.41m	£18.81m
Transition Costs	£0.02m	£1.04m	£1.88m	£1.71m	£1.29m	£2.20m
Total Costs over an 8-Year Period[1]	**£131.84m**	**£127.62m**	**£134.55m**	**£155.40m**	**£132.31m**	**£141.16m**

The financial analysis shows that Option 2 (Outsourced with a break clause, single contract) has the lowest modelled cost of the potential future commissioning options. However, the total cost of this option over an 8-year period is very similar to the cost of the second, third and fourth lowest modelled cost options, respectively: Option 1 (Extension), Option 5 (LATCo, single entity) and Option 3 (Outsourced, two contracts).

When looking at total costs over an 8-year period, the gap between Option 4 (In-House, two services) and the other options becomes more significant.

Overall Cost and Quality Scores

The commissioning options risk assessment undertaken as part of this work and combined with results of the financial modelling is summarised in Table 1-2.

The analysis indicates that **Option 2 (Outsourced with a break clause, single contract)** achieves the highest overall score and ranks first. This reflects its combination of a relatively favourable cost position and a lower delivery risk profile, when compared with the more transformational options.

Option 3 (Outsourced, two contracts) ranks second overall. Although it achieves a similar qualitative assessment to Option 2, the loss of efficiencies associated with a single combined contract results in a higher cost position and a lower overall score.

Option 1 (Extension) ranks third overall. Although it scores strongly on cost and benefits from service continuity, it achieves a lower overall score than the outsourcing options due to the financial and commercial risks associated with extending the existing contract. In particular, there remains a risk of challenge to the extension should LGR not proceed, alongside reduced opportunities to influence service design, compared with a competitively procured solution.

Option 5 (LATCo, single entity) ranks fourth. Whilst its cost position is broadly comparable to the leading outsourced options, it carries higher commercial, governance, people and management risks, resulting in a lower combined score.

Option 6 (LATCo, two entities) ranks fifth overall. In addition to the higher risks associated with the LATCo model, the creation of separate organisations for DDC and FHDC reduces opportunities for shared management and overhead efficiencies, resulting in a less favourable cost and quality outcome.

[1] Excluding inflation

Option 4 (In-House, two services) ranks last and is by some margin the lowest-scoring option overall. This reflects both its significantly higher modelled cost and its higher operational, commercial, people and management risks relative to the other options considered.

Table 1-2 Summary of Commissioning Options Assessment

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Total Score	**82.6%**	**90.0%**	**84.8%**	**64.6%**	**68.2%**	**66.7%**
Rank	**3**	**1**	**2**	**6**	**4**	**5**

Summary and Recommendation

Based on the combined results of the financial modelling and commissioning options assessment, Eunomia recommends that the Councils choose **Option 2 (Outsourced with a break clause, single contract)**. This option achieves the highest overall score and offers the most favourable balance of cost, risk and deliverability. The inclusion of an LGR-linked break clause helps manage the uncertainty surrounding local government reorganisation, ensuring the option remains appropriate whether LGR proceeds or not, while retaining the benefits of a longer-term contract in terms of market interest, stability and value for money.

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1.0 Introduction

Dover District Council (DDC) and Folkestone & Hythe District Council (FHDC) have worked in partnership for almost two decades to deliver waste collection, recycling and street cleansing services across Kent. The councils currently operate under a joint contractual arrangement, with DDC acting as the lead authority.

The existing contract with Veolia is due to expire in January 2029, with no provisions available for extension. Accordingly, both councils are required to consider future commissioning arrangements for the delivery of these statutory services.

In summer 2026, the Councils jointly commissioned Eunomia Research and Consulting Ltd (Eunomia) to assess future service delivery and commissioning options. The purpose of the assessment was to inform a decision on the preferred approach for service delivery beyond the expiry of the current contract.

During the timeline of the project, the Government had confirmed its preferred model for Local Government Reorganisation (LGR) in Kent and Medway, under which DDC would form part of a new East Kent authority and FHDC would form part of a new Mid Kent authority.

However, subsequent to completion of the project, the Government announced a review and pause of the wider LGR programme, including the proposals affecting Kent and Medway, pending further consideration and legal review. As a result, the future structure, geography, governance arrangements and implementation timetable for local government in Kent are now uncertain.

Consequently, it was agreed with officers that Eunomia's assessment would focus on the decision-making process facing DDC and FHDC in the absence of a final decision on LGR. The impact LGR will have on each option has however been considered in Appendix A.1.0 and can therefore be drawn upon as supplementary information within the decision-making process.

The options analysed as part of this project are detailed below:

- **Option 1:** Extension of the Existing Joint Contract
- **Option 2:** Outsourced Service with a break clause (Single Contract)
- **Option 3:** Outsourced Service (Two Separate Contracts)
- **Option 4:** In-House Service Delivery (Two Separate Services)
- **Option 5:** Joint Local Authority Trading Company
- **Option 6:** Local Authority Trading Companies for DDC and FHDC

These options and the rationale for them are explained in Section 2.0.

2.0 Options Discussion

2.1 Context

Options 1 to 6 presented in Section 1.0, were developed taking into account not only the current service arrangements, but also the potential formation of East Kent and Mid Kent in 2029 should LGR go ahead. Notwithstanding this, the options remain relevant and deliverable irrespective of whether LGR proceeds.

APPENDIX 1

The service commissioning options of other relevant Kent authorities are summarised in Table 2-1.

Table 2-1: Summary of Arrangements

Potential New Authority	Potential Legacy Authority	Approach to Commissioning of Waste Collection and Street Cleansing Services	Operator and Contract End Dates
East Kent	Canterbury CC	LATCo	Canenco
	DDC	**Outsourced**	**Veolia – Contract Ends in 2029 with no extension provision**
	Thanet DC	In-House	N/A
Mid Kent	**FHDC**	**Outsourced**	**Veolia – Contract Ends in 2029 with no extension provision**
	Ashford BC	Outsourced	Joint contract with Suez – Ends 2032 with no extension provision
	Swale BC	Outsourced	

A key distinction between the potential East Kent and Mid Kent arrangements is the nature of the existing commissioning models within the respective legacy authorities.

Should LGR proceed as initially announced, the future East Kent authority would potentially inherit a mixed position, with Canterbury CC operating through a LATCo (Canenco), DDC using an outsourced contract arrangement, and Thanet DC delivering services in-house. This creates a different strategic context to the potential Mid Kent area, where FHDC, Ashford BC and Swale BC all currently operate outsourced service arrangements. Whilst the commissioning models differ in East Kent, a notable feature of the Mid Kent position is that the existing joint Ashford and Swale contract with SUEZ runs until 2032. This and the uncertainty surrounding LGR has informed the inclusion of a break clause within the outsourced options considered in this report. Such an approach would provide flexibility for future service integration, allowing a single contract to be procured in the future should members wish to pursue that approach.

2.2 Option Rationale

A detailed rationale for the analysis of each option is provided in Table 2-2.

Table 2-2: Detailed Option Rationale

Option	Rationale
Option 1: Extension of the Existing Joint Contract	This option assumes the extension of the current contractual arrangements for waste collection, recycling and street cleansing services until October 2032 (Aligning with the end date of the Suez contract with Swale BC and Ashford BC should LGR proceed). Under this approach, DDC and FHDC would continue to work together through a single joint arrangement, providing continuity of service whilst allowing additional time for the implications of LGR to become clearer before a longer-term commissioning decision is implemented. There is no provision within the original contract notice to extend the existing contract with Veolia beyond January 2029. However, given the proximity of the current contract expiry date to the potential Vesting Day for East Kent and Mid Kent, the Councils could look to extend the Veolia contract for a bridging period (e.g. 2 years) and publish a VEAT notice (Voluntary Ex-Ante Transparency notice). **The justification for such an extension would be stronger if LGR proceeds, as a temporary extension may facilitate the transition to new unitary authorities and support the future integration of services. Should LGR not proceed, the rationale for extending the contract would be less compelling, increasing the potential risk of legal challenge from the market. Consequently, whilst the likelihood of challenge may remain limited, DDC and FHDC would require specialist legal advice to assess the lawfulness of this approach and the level of risk associated with pursuing this option.**
Option 2: Outsourced Service with a break clause (Single Contract)	This option assumes the two councils continue to commission services jointly through a single outsourced contract. A new procurement exercise would be undertaken on behalf of both authorities, resulting in one contractor delivering services across the combined service area. This option broadly reflects the existing collaborative approach whilst allowing a new contract structure to be designed around future service and organisational requirements. A break clause has been incorporated into this option to preserve flexibility for any future LGR decisions. Within this project we have assumed a minimum contract term of four years to provide sufficient stability, market appetite and value for money, which would result in any new contract for the FHDC area running until at least 2033 before a break option could reasonably be exercised. This break clause would be linked to LGR only. It should be noted that the option to break this contract would need to be mutual between both Councils to ensure value is driven through the procurement process.

Option 3: Outsourced Service (Two Separate Contracts)	Under this option, the joint arrangement would cease, and each authority would independently procure and manage its own outsourced waste and street cleansing contract. DDC would procure a separate contract for services within its administrative area and FHDC would undertake its own procurement process for services within its area. This option recognises the possibility that future potential LGR arrangements may reduce the benefits of maintaining a shared contractual structure. A break clause has not been included within this option, as this approach provides DDC and FHDC with the flexibility to adopt contract lengths that best align with the commissioning and service delivery arrangements of their respective future unitary authorities. However, Eunomia considers that longer contract terms are likely to be more attractive to the market and generate greater bidder interest, competition and value for money.
Option 4: In-House Service Delivery (Two Separate Services)	This option assumes each council brings service delivery back in-house and directly manages operations within its own area. The option has been modelled as two standalone service arrangements rather than a single shared service. This reflects the significant uncertainty surrounding future governance structures and the legal and practical challenges associated with establishing a joint In-House service immediately prior to potential LGR.
Option 5: Local Authority Trading Company (One Joint LATCo)	This option assumes that both services are operated by a joint DDC and FHDC LATCo, to which both authorities are shareholders. Due to the uncertainty surrounding LGR, this report assumes that neither authority joins Canenco (the LATCo operated by Canterbury City Council for the provision of waste collection services).
Option 6: Local Authority Trading Company (Two Separate LATCos)	Under this option it has been assumed that both authorities set up their own LATCo.

3.0 Commissioning Approaches

An overview description of each of the commissioning options and key features of them is provided in the sections below.

3.1 Option 1: Extension

There is no provision within the original contract notice to extend the existing contract with Veolia beyond January 2029. However, considering the circumstances faced by DDC and FHDC with regards to the uncertainty surrounding LGR, the Councils could look to extend the Veolia contract for a bridging period (e.g. 3-4 years) and publish a VEAT notice (Voluntary Ex-Ante Transparency notice).

A VEAT notice is a pre-award announcement by a contracting authority that it intends to directly award or modify a contract without running a competitive tender. The purpose is to provide transparency and protect against legal challenges for breaching procurement law.

The justification for such an extension would be stronger if LGR proceeds, as a temporary extension may facilitate the transition to new unitary authorities and support the future integration of services. Should LGR not proceed, the rationale for extending the contract would be less compelling, increasing the potential risk of legal challenge from the market. Consequently, whilst the likelihood of challenge may remain limited, DDC and FHDC would require specialist legal advice to assess the lawfulness of this approach and the level of risk associated with pursuing this option.

Assuming the Councils were prepared to accept the legal risks associated with this option and there was no legal challenge made; this would mean future decisions about service provision could be delayed until there is greater clarity regarding LGR and also the time available to implement any future option before the end of the current contract.

Examples of similar notices being published by local authorities (without challenge) are:

- Vale of White Horse & South Oxfordshire extended their waste and recycling collection contract with Biffa for a period of two years from June 2024 to June 2026 at a value of approximately £33m.
- Durham County Council extending their residual waste treatment and disposal contract with Suez for 2-5 years until 2032 at a value of approximately £92m

The comparative costs, key risks and opportunities for this option are highly dependent on Veolia's interest in an extension. It is important to note that the assessment presented in this report is based on Veolia's initial indicative price for an extension. If DDC and FHDC wish to explore this option further, detailed negotiations should be initiated with the Veolia, during which Veolia will be required to provide a final price for the extension.

3.2 Option 2 & 3: Outsourcing

Option 2 and 3 both assume the current contract is re-procured either jointly (in Option 2) or separately (in Option 3).

As discussed, a break clause has been incorporated into this option to preserve flexibility for both DDC and FHDC following potential local government reorganisation. Within this project we have assumed a minimum contract term of four years to provide sufficient stability, market appetite and value for money.

The waste and street cleansing services of DDC and FHDC are currently outsourced, therefore retendering would provide continuity, albeit with a chance to reset the dials on all qualitative aspects of the service and incorporate learnings from the existing contract. The current marketplace for collections contracts is constrained to five main bidders (Biffa, FCC, Serco, Suez and Veolia). Additionally, there are several contracts being re-tendered across the next three years. If this is an option that DDC and FHDC wish to pursue, we would recommend a robust procurement strategy is developed in order to make the opportunity as attractive as possible and maximise interest. Furthermore, engagement with the market operators will be vital to ensure their interest and participation in any future procurement.

The key advantage to outsourcing services is the transfer of financial and operational risk. Assuming the contract and associated payment and performance mechanism are well designed, this option provides relative certainty of service cost for the life of the contract. Furthermore, open competition can ensure best value for the commissioning process; transparency in the process also allows for informed decision-making and trust from stakeholders. This can result in better outcomes for all parties involved.

A disadvantage to this option is that if DDC and FHDC desire any service changes, negotiations with the contractor will be required. While future service change under any model is likely to result in added costs for enhancements (or potential savings for service reductions) these would need to be negotiated while the contractor is no longer in a competitive process. In addition, the authority may be constrained from making very large changes by potential legal challenge from third parties under procurement law.

Outsourcing (if done well) enables access to specialist resources and knowledge, as well as economies of scale that can lead to cost savings, increased market confidence and improved delivery of services. It can also offer increased resilience, flexibility, and innovation. However, it is important to consider the risks and challenges associated with the approach, such as legal and financial obligations, and ensuring effective contractual management.

A feature of many outsourced contracts awarded over the last five to ten years has been the winning bidder under-estimating the resources that are required to deliver the services to the required specification. Notable examples include some of the Amey contracts (Amey are now exiting the waste market).

As authorities have experienced, although this is a risk that can be mitigated to some extent through the procurement process, ultimately the resource risk (and cost) lies with the contractor. Contracting authorities who have dealt with this have the right to make financial deductions for defaults and the right to terminate for significant and sustained poor performance. In practice, the issue tends to be focussed on whether contracting authorities are realistically in a position (or can afford) to act on the termination clauses and whether the specification and deduction method is clear enough to avoid dispute.

3.3 Option 4: In-House

This option would represent a significant change for DDC and FHDC.

With this option the current service will be broken in two parts, and all staff would be employed directly by either DDC or FHDC (or any subsequent authority should LGR go ahead) depending upon where they are currently based. The responsibility for service delivery and the quality of the service provided would also sit directly with the Council. In this scenario each Council would require its own management team and in-house support for HR, Health and Safety and Welfare, payroll, IT and procurement.

One advantage of an In-House service over the other options is the level of control the councils have over the service and how it is delivered. In-house services can be inherently more flexible, as councils are not constrained by the terms of a contract with a third party.

The In-House service option also avoids the cost of meeting a contractor's corporate overhead and profit margin cost, albeit this saving is countered by the additional staff and support costs incurred in an In-House model.

The main negative that stems from this option is that DDC and FHDC will take on the Local Government Pension Scheme ("LGPS") liabilities, which will represent a significant financial burden compared to the existing service. Employing staff directly entitles employees to become members of the LGPS, which incurs more cost for councils as employer than would be the case under a contracted-out model offering private sector pension benefits.

Additionally, in this option all operational risk would transfer to DDC and FHDC (away from the contractor) which represents a significant shift and associated adjustment from the current service model.

3.4 Option 5 & 6 LATCo

Delivering services using a Local Authority Trading Company (LATCo) model would be a significant change from the current approach of outsourcing services.

Over recent years, the LATCo model has become a more popular vehicle for providing local authority services. With regards to waste and recycling services, these have been established both at the end of existing contract terms (LB Hounslow, LB Redbridge) and following early contract exit (Bristol Waste Company, Cheshire West Recycling, North Somerset Environment Company). A LATCo is an independent legal entity but is wholly owned and ultimately controlled by one or more shareholding local authorities. For this project we have assumed that the LATCo would be wholly owned by DDC and FHDC jointly or separately. The principal benefits of adopting this option include the ability to:

- Operate in a more culturally distinct way than many In-House services are able to do, perhaps including being more commercially driven and structured.
- Deliver services more flexibly compared to a contracted-out service.
- Have the ability to offer workers membership of a lower-cost pension scheme, as opposed to the LGPS.

The legal framework under which a LATCo can be established was primarily based on case law, but this changed with the introduction of the Public Contract Regulations 2015, with updates to this included in the Public Contracts Regulations 2023.

Upon expiry of the existing contract with Veolia, staff currently employed by Veolia would transfer to the LATCo in compliance with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). By transferring staff from the contractor to the LATCo (a separate legal entity), DDC and FHDC could reduce the cost of service delivery compared to an In-House model, as the existing terms and conditions of staff transfer with each individual and there is no legal requirement to pay into the Local Government Pension Scheme (LGPS).

As with the In-House service delivery model, by delivering service via a LATCo, the shareholder assumes the risk of any service failures. This also includes any staff or management disputes, as well as commercial risk related to any increase in operational costs. Such risks are not insignificant and can have a significant impact on the organisation. As such, the shareholder must carefully consider their options and how to best manage their risk before proceeding.

Although a LATCo is primarily designed to provide services to the authority/authorities that own it, this does not preclude them from making a profit from providing commercial services to third party customers. This is encouraged to ensure the financial viability of the organisation. There are limitations on the proportion of revenue that a LATCo can obtain through third-party trading, and this should be monitored to ensure compliance with the legal framework. Furthermore, the LATCo

must ensure that any services provided to third-party customers are of the same high standard as those provided to the authority.

4.0 Assessment Framework

Eunomia's analysis of the commissioning options discussed in Section 2.0 is broken down into two elements, quantitative cost analysis and a qualitative risk assessment – which jointly make up the overall assessment framework.

This assessment framework was used to determine the most advantageous commissioning option available to DDC and FHDC. A breakdown of the Assessment Framework is provided in Table 4-1.

Table 4-1: Assessment Framework

Primary Criteria	Criteria	Assessment Question	Weighting
Cost	**a. Affordability**	What is the annual modelled cost of the option?	30%
	b. Financial and Commercial Risk	Does the option increase DDC's and FHDC's commercial and financial risk position?	10%
Quality	**a. People & Management Risk**	Does the operational entity have the necessary skills and experience to deliver and manage the service?	15%
	b. Market Conditions	Are the market conditions supporting this option?	10%
	c. Operational Risk	Does the option pose an operational risk of failure to the authority?	15%
	d. Control and Ability to Change	Does the option allow DDC and FHDC to control and develop services?	10%
	e. Implementation Risk	Does the option present implementation risk?	5%
	f. Social Value	Does the option support DDC's and FHDC's social value objectives?	5%
		Total Score	**100%**

The quantitative cost modelling undertaken by Eunomia involved building up operational costs from first principles to ensure that the nuance of cost in each option is fully reflected and then compares the operational costs of each option to the current amount paid for the service (the baseline).

Eunomia's approach to the qualitative risk assessment involved assessing each of the commissioning options against the agreed set of criteria (detailed in Table 4-1). The criteria selected as the basis for the evaluation draws upon Eunomia's experience of the key factors which impact decision-making regarding the delivery of services of this type and scale.

The assessment of each commissioning option against each criterion was based upon a clear evaluation scheme to ensure transparency in our approach. This evaluation scheme has been provided in Appendix A.2.0 for reference. This score was then multiplied by the agreed weighting to give a weighted score; all weighted scores were combined, resulting in a total for that option.

5.0 Summary Results of Evaluation

				Option 1		Option 2		Option 3		Option 4		Option 5		Option 6	
				Extension		Outsourced (single contract)		Outsourced (two contracts)		In-House (two services)		LATCo (single entity)		LATCo (two entities)	
Level 1	Level 2	Assessment Question	Weighting	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
Cost (40%)	a. Affordability	What is the annual modelled cost of the option?	30.0%	**£14.50m**	28.6%	**£13.84m**	30.0%	**£14.45m**	28.8%	**£16.86m**	24.6%	**£14.20m**	29.2%	**£15.02m**	27.7%
	b. Financial and Commercial Risk	Does the option increase DDC's and FHDC's commercial and financial risk position?	10.0%	2	4.0%	4	8.0%	3	6.0%	1	2.0%	1	2.0%	1	2.0%
Quality (60%)	a. People & Management Risk	Does the operational entity have the necessary skills and experience to deliver and manage the service?	15.0%	5	15.0%	5	15.0%	5	15.0%	2	6.0%	2	6.0%	2	6.0%
	b. Market Conditions	Are the market conditions supporting this option?	10.0%	5	10.0%	4	8.0%	3	6.0%	5	10.0%	5	10.0%	5	10.0%
	c. Operational Risk	Does the option pose an operational risk of failure to the authority?	15.0%	5	15.0%	5	15.0%	5	15.0%	2	6.0%	2	6.0%	2	6.0%
	d. Implementation Risk	Does the option present implementation risk?	5.0%	5	5.0%	3	3.0%	3	3.0%	1	1.0%	2	2.0%	2	2.0%
	e. Control and Ability to Change	Does the option allow DDC and FHDC to control and develop services?	10.0%	1	2.0%	3	6.0%	3	6.0%	5	10.0%	4	8.0%	4	8.0%
	f. Social Value	Does the option support DDC's and FHDC's social value objectives?	5.0%	3	3.0%	5	5.0%	5	5.0%	5	5.0%	5	5.0%	5	5.0%
		Total Score	**100.0%**		**82.6%**		**90.0%**		**84.8%**		**64.6%**		**68.2%**		**66.7%**
		Rank			3		1		2		6		4		5

5.1 Analysis of Results

The assessment identifies a clear hierarchy of options. Option 2 (Outsourced with a break clause, single-contract) is the highest-performing option with a weighted score of 90.0%, followed by Option 3 (Outsourced, two contracts) at 84.8% and Option 1 (Extension) at 82.6%. Options 2 and 3 score consistently well across both cost and quality criteria, particularly in relation to operational delivery, people capability, and risk management, whilst Option 1 scores lower on financial and commercial risk and control and ability to change.

There is a notable gap between the top three options and the remaining options. While Option 1 scores 82.6%, the next highest option, Option 5 (LATCo, single entity), drops to 68.2%, creating a gap of more than 10 percentage points. Options 4, 5 and 6 all score within a relatively narrow range (64.6%-68.2%)

Overall, the assessment demonstrates that Options 1, 2 and 3 form a distinct leading group, with Option 2 emerging as the strongest and most balanced solution.

6.0 Cost Evaluation

6.1 Approach to Financial Modelling

The objective of the financial modelling task was to understand the relative affordability of each commissioning option in relation to the baseline (the existing Veolia budget). In Eunomia's experience, large financial savings are rarely observed unless the design of the service fundamentally changes including changes to the specification and contract payment mechanism. The outcomes of this options appraisal could lead to a fundamental change in the way in which services are delivered within DDC and FHDC, and therefore a detailed, transparent, and robust financial analysis has been carried out.

Eunomia's established commissioning options model firstly builds up operational costs from first principles to ensure that the nuance of cost in each option is fully reflected and then compares the operational costs of each option to the current amount paid for the service (the baseline). This allows a comparison of resourcing levels within each option to understand where savings are made, or where additional cost centres are created.

The first step in the process was to calibrate the 2025/2026 baseline to ensure that all costs are captured in the baseline as accurately as possible. To develop the baseline position, Eunomia worked closely with DDC, FHDC and Veolia to gather employee, vehicle data and overhead costs. All data provided by each party was clearly labelled within the model alongside Eunomia assumptions, and the basis for these assumptions. The modelled baseline was calibrated to match the financial data provided by DDC and FHDC for the operation of the service in 2025/26. The data provided outlined the major cost bases, including refuse and recycling collections, street cleansing, and ad-hoc services.

The next step in the process was to model each future commissioning option. Future options were modelled as 2025/26 annual costs as it is not possible to accurately model inflation between now and the contract start date, and inflationary adjustment will not change the order of the financial results.

Following completion of the modelling, Veolia provided an indicative annual cost of £14.5m for Option 1 (Extension). Eunomia then adjusted the overhead and margin assumptions within its cost model so that the total annual cost for Option 1 aligned with Veolia's indicative figure. The total

annual cost presented in this report for Option 1 is therefore based on Veolia's indicative annual cost, supported by Eunomia's detailed cost breakdown.

6.2 Baseline Results

The 2025/26 baseline results indicate an overall margin and overheads of 4.0%. This is below the typical benchmark for waste collection and street cleansing contracts, which is around 10-12%. Overall, this suggests that the existing contract offers good value for money for the Councils, and that any future contract arrangements are likely to involve higher costs.

6.3 Cost Modelling Results

Table 6-1 provides a summary of detailed annual costs for the baseline and the future service delivery options. Figure 6-1 provides a summary of total annual costs for the baseline and the future service delivery options.

Vehicle capital costs for vehicles owned by the Councils are presented separately in Section 6.3.3 and are not included within the annual revenue costs shown in Table 6-1. The "Vehicles and Equipment" category in Table 6-1 represents annual vehicle revenue costs (fuel, maintenance and repair, tax and insurance, lease costs, and asset depreciation for vehicles owned by the contractor). Transition and mobilisation costs are not included as there are one-off costs and are presented separately in Section 6.4.

As shown in Table 6-1 and Figure 6-1, the most expensive option is Option 4, the In-House option, which is significantly more expensive than all the other options. This is primarily due to higher staff costs arising from increased pension costs and a decrease in contracted hours, as well as an increase in management staff numbers. The next most expensive future commissioning option is Option 6, LATCo (two entities). This is because this option doubles up the additional management staff required to operate each LATCo, with no efficiency possible between the two Councils.

The least expensive future delivery option is Option 2 (Outsourced with a break clause, single contract). This option is closely followed by Option 5 (LATCo, single entity), Option 3 (Outsourced, two contracts) and Option 1 (Extension).

APPENDIX 1

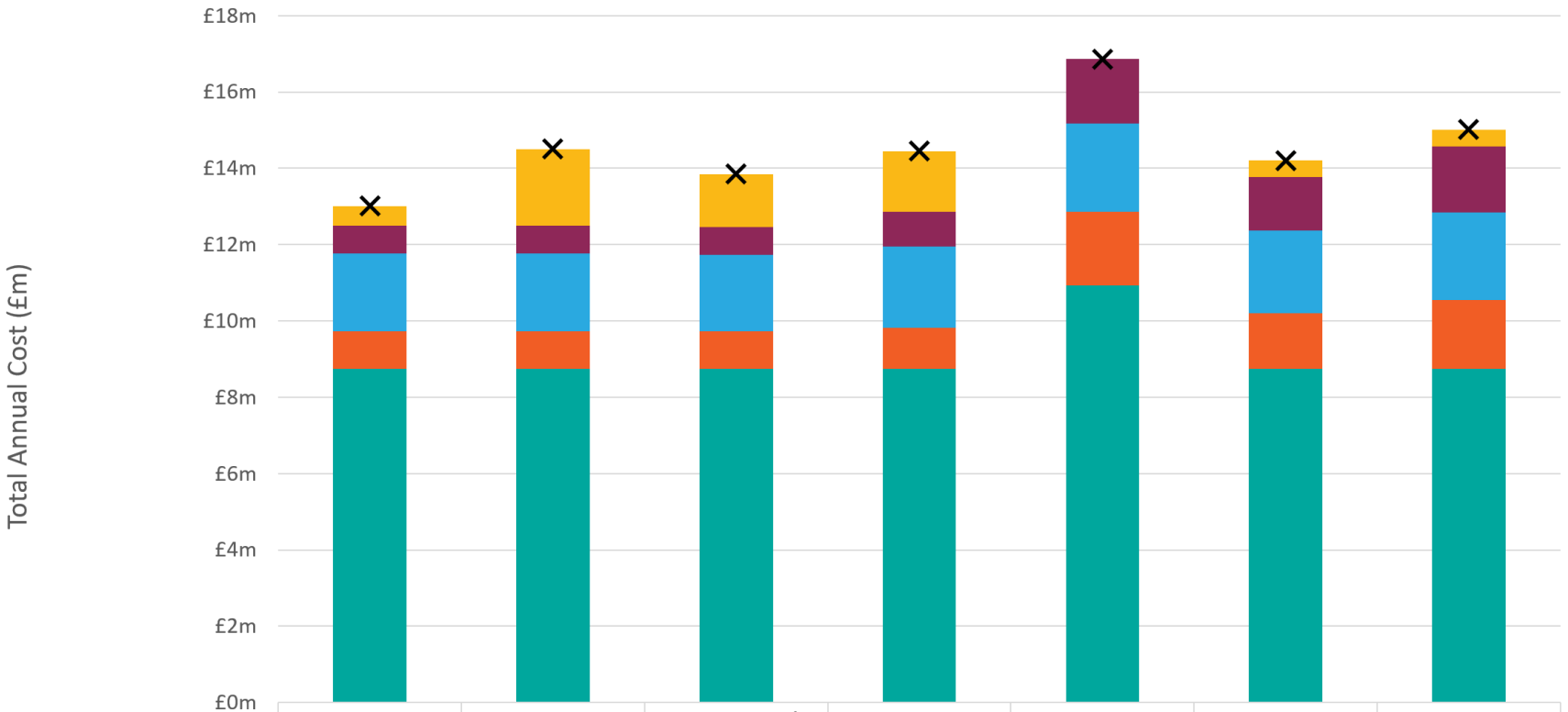
Table 6-1: Modelled Detailed Annual Costs for Baseline and Each Future Service Delivery Option

Option		Baseline	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description			**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Staff - Frontline	Wages	£6.99m	£6.99m	£6.99m	£6.99m	£6.99m	£6.99m	£6.99m
	Pension	£0.18m	£0.18m	£0.18m	£0.18m	£1.17m	£0.18m	£0.18m
	Overtime, sickness and holiday cover	£0.53m	£0.53m	£0.53m	£0.53m	£1.56m	£0.53m	£0.53m
	National Insurance	£0.96m	£0.96m	£0.96m	£0.96m	£1.12m	£0.96m	£0.96m
	Other (bonuses, apprentice levy)	£0.09m	£0.09m	£0.09m	£0.09m	£0.10m	£0.09m	£0.09m
Staff - Management		£0.99m	£0.99m	£0.99m	£1.08m	£1.94m	£1.46m	£1.80m
Vehicles and Equipment	Fuel	£0.96m	£0.96m	£0.96m	£1.00m	£1.10m	£1.06m	£1.10m
	Maintenance and repair	£0.89m	£0.89m	£0.89m	£0.96m	£1.06m	£0.98m	£1.06m
	Tax and insurance	£0.02m	£0.02m	£0.12m	£0.13m	£0.14m	£0.13m	£0.14m
	Lease costs and asset depreciation[2]	£0.16m	£0.16m	£0.03m	£0.03m	£0.01m	£0.01m	£0.01m
Depot and other costs	Depot costs	£0.27m	£0.27m	£0.27m	£0.27m	£0.27m	£0.27m	£0.27m
	Other costs (e.g. H&S, IT)	£0.46m	£0.46m	£0.46m	£0.64m	£1.42m	£1.13m	£1.45m
Total (excl. margin)		**£12.49m**	**£12.49m**	**£12.46m**	**£12.86m**	**£16.86m**	**£13.78m**	**£14.57m**
Margin		£0.52m	£2.01m	£1.38m	£1.59m	£0.00m	£0.43m	£0.45m
Margin (%)		4.0%	13.8%	10.0%	11.0%	0.0%	3.0%	3.0%
Total (incl. margin)		**£13.01m**	**£14.50m**	**£13.84m**	**£14.45m**	**£16.86m**	**£14.20m**	**£15.02m**

[2] A small number of vehicles are leased or owned by the incumbent. Most of the fleet is owned by the Councils, with the associated capital costs set out in Section 6.3.3.

APPENDIX 1

Figure 6-1: Modelled Total Annual Cost for Baseline and Each Future Service Delivery Option



	Baseline	Extension	Outsourced (single contract)	Outsourced (two contracts)	In-House (two services)	LATCo (single entity)	LATCo (two entities)
Margin & Overheads	£0.52m	£2.01m	£1.38m	£1.59m	£0.00m	£0.43m	£0.45m
Depot & Other Costs	£0.73m	£0.73m	£0.73m	£0.91m	£1.69m	£1.40m	£1.72m
Vehicles & Equipment	£2.03m	£2.03m	£2.00m	£2.12m	£2.30m	£2.17m	£2.30m
Management Staff	£0.99m	£0.99m	£0.99m	£1.08m	£1.94m	£1.46m	£1.80m
Frontline Staff	£8.75m	£8.75m	£8.75m	£8.75m	£10.93m	£8.75m	£8.75m
Total	£13.01m	£14.50m	£13.84m	£14.45m	£16.86m	£14.20m	£15.02m

6.3.1 Frontline Staff

Frontline staff costs are the same in all options compared to the baseline, except for the In-House option (Option 4) which shows a large increase in frontline staff costs.

There are two main drivers of increased staff costs in the latter. First, the contracted hours for frontline staff are reduced to 37 hours per week; in the baseline, the contracted hours of some staff are 40 hours per week on average. Despite reducing the contracted hours, the total volume of work required to be completed is unchanged. As a result, the difference between the contracted hours in the baseline and the new contractual arrangements will require additional overtime or new staff to be employed. For this modelling exercise, the additional hours have been costed based on overtime, at a x1.5 overtime rate.

The second factor driving the marked increase in staff costs in the In-House options is pensions and the contributions needed for the Local Government Pension Scheme (LGPS). We have assumed that all employees that have currently signed up to a pension will join the LGPS, at a rate of 16.6% for DDC and 17.4% for FHDC. This LGPS contribution is markedly higher when compared to the other service delivery options where the most commonly occurring pension contribution rate is 3% (in the current contract, pension contributions range between 3.0% and 10.0%).

6.3.2 Additional Management Staff

Table 6-2 summarises the additional management and support roles assumed under each future service delivery option. The table does not represent the full management structure required to deliver the services but highlights the roles that differ between options and therefore drive variations in cost.

The baseline position, reflecting the current joint service arrangement, includes a shared Depot Administrator and a shared Contract Manager serving both DDC and FHDC. These same shared arrangements are assumed to continue under Option 1 (Extension), Option 2 (Outsourced with a break clause, single contract) and Option 5 (LATCo, single entity). By contrast, Option 3 (Outsourced, two contracts), Option 4 (In-House, two services), and Option 6 (LATCo, two entities) assume separate service delivery arrangements for DDC and FHDC, meaning these roles can no longer be shared and must be duplicated for each council.

Option 4 (In-House, two services) is assumed to require additional senior management and corporate support functions that would otherwise be provided by a contractor. These include Head of Service, Finance Manager, Finance Assistant, Health and Safety Manager and HR Manager roles, resulting in a larger management and support structure than under the outsourced options.

Option 5 (LATCo, single entity) similarly requires additional leadership, governance and support functions, including a LATCo Managing Director, LATCo Operations Director, finance, HR, health and safety, and administrative support roles.

Option 6 (LATCo, two entities) assumes separate management and support structures for each company. While key leadership, management and support functions are duplicated across the two entities, no LATCo Operations Director role is assumed, as the scale of each individual service is not considered sufficient to justify a dedicated post. Nevertheless, Option 6 requires a greater overall level of management resource than Option 5 (LATCo, single entity).

The exact staffing arrangements adopted in practice may differ from those shown. In particular, some functions may be delivered through a combination of directly employed staff, partial FTE allocations shared across multiple councils, and services bought back from the councils. The assumptions shown are therefore intended to provide a reasonable basis for comparing the relative costs of the alternative delivery models rather than defining the final organisational structure.

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Table 6-2: Management Staff Differences in Future Options

Option	Baseline	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description		**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Depot Administrator	1 (shared)	1 (shared)	1 (shared)	2	2	1 (shared)	2
Contract Manager	1 (shared)	1 (shared)	1 (shared)	2	2	1 (shared)	2
LATCo Managing Director						1	2
LATCo Operations Director						1	
Head of Service					2		
Finance Manager					2	1	2
Finance Assistant						1	2
H&S Manager					2	1	2
HR Manager					2	1	2
LATCo Administrator						2	2
Total	**2**	**2**	**2**	**4**	**12**	**10**	**16**

6.3.3 Vehicles

The current fleet is predominantly council-owned. However, a small number of vehicles are currently leased or owned by the incumbent contractor, including several small RCVs and supervisor vehicles. Capital costs associated with council-owned vehicles are excluded from the annualised revenue costs presented in Section 6.3 and are considered separately in this section.

Table 6-3 presents vehicle capital costs under the different service delivery options. Differences in capital costs between the options arise from both procurement arrangements and fleet requirements. Options that retain access to contractor purchasing power are assumed to benefit from vehicle purchase prices that are approximately 10% lower than those achievable through direct local authority procurement. In addition, options involving separate service delivery arrangements for DDC and FHDC require a larger fleet than the joint service options, as several vehicles currently shared across the partnership can no longer be shared and must be duplicated.

Table 6-3 also presents a contractor-funded sensitivity for the outsourced options (Options 2 and 3). Under this scenario, the contractor is assumed both to procure and finance the vehicles. Contractors face higher borrowing costs than local authorities and vehicle financing costs would be recovered through the contract price and would therefore attract contractor overheads and profit. As a result, the contractor-funded sensitivity represents a less favourable funding position for the authorities than authority-funded vehicle procurement.

Capital costs are not presented separately for the contractor-funded sensitivity for Option 1 (Extension). This is because the proposed extension period of 3-4 years is insufficient for Veolia to fully depreciate the required assets. As a result, Veolia has indicated that it would seek to lease the vehicles rather than purchase them outright, at an estimated cost of £3.7m per annum. This is significantly higher than the estimated annualised capital cost of approximately £2m per annum under the council-funded asset scenario, where DDC and FHDC would finance the required vehicles and equipment. A further consideration for Option 1 (Extension) is that it would misalign asset replacement cycles with contract terms. Vehicles purchased for the extension would need to transfer into the subsequent contract, rather than being replaced at contract commencement. As a result, vehicle replacement would be required part-way through the subsequent contract, complicating future asset planning and procurement.

Table 6-3: Total Vehicle Capital Cost (Including Cost of Borrowing)

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Authority Funded	£15.83m	£15.83m	£17.10m	£18.81m	£17.41m	£18.81m
Contractor Funded	N/A	£18.68m	£20.38m			

6.3.4 Other Costs

The other costs for the extension and re-procurement options include costs that would be incurred directly by the contractor, such as depot costs (e.g. utilities) and IT costs (e.g. management information systems). These exclude corporate overheads, which are assumed to be recovered through the contractor's margin and overheads and typically cover centralised functions such as HR.

For the In-house and LATCo options, other costs include the equivalent direct operating costs, together with additional functions that would need to be provided within the organisation, such as HR (e.g. occupational health and training), legal services, and general administrative expenses. Costs are also

assumed to be higher in some areas due to the loss of contractor purchasing power and preferential rates, for example for management information systems.

Options with separate services for DDC and FHDC also incur some duplicated costs, including insurance and management information systems, which would otherwise be shared across a single organisation.

Table 6-4 provides a further breakdown of Other Costs.

Table 6-4: Further Breakdown of Other Costs

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Lease Costs / Rent	£112.6k	£112.6k	£112.6k	£112.6k	£112.6k	£112.6k
Lighting, Power, Heat	£78.6k	£78.6k	£78.6k	£78.6k	£78.6k	£78.6k
Maintenance and Cleaning	£78.8k	£78.8k	£78.8k	£78.8k	£78.8k	£78.8k
Depot (sub-total)	**£270.1k**	**£270.1k**	**£270.1k**	**£270.1k**	**£270.1k**	**£270.1k**
Human Resources	£0.0k	£0.0k	£0.0k	£412.0k	£401.0k	£418.0k
Digital - End Use Compute	£7.5k	£7.5k	£7.5k	£52.0k	£52.0k	£52.0k
Digital - Depots	£11.3k	£11.3k	£11.3k	£51.0k	£51.0k	£51.0k
Digital - Applications	£156.8k	£156.8k	£313.6k	£535.4k	£287.2k	£535.4k
Uniform	£124.0k	£124.0k	£124.0k	£124.0k	£124.0k	£124.0k
Tools and Consumables	£133.3k	£133.3k	£133.3k	£165.3k	£165.3k	£165.3k
Legal and General Expenses	£0.0k	£0.0k	£0.0k	£19.0k	£11.9k	£23.8k
Travel and Entertainment	£0.0k	£0.0k	£0.0k	£10.0k	£13.8k	£27.5k
Insurances (not vehicles)	£24.6k	£24.6k	£49.3k	£49.3k	£24.6k	£49.3k
Other (sub-total)	**£457.5k**	**£457.5k**	**£639.0k**	**£1,418.0k**	**£1,130.8k**	**£1,446.2k**
Total	**£727.6k**	**£727.6k**	**£909.0k**	**£1,688.0k**	**£1,400.8k**	**£1,716.3k**

Each cost category is further detailed below in Table 6-5.

Table 6-5: Other Costs - Description of Categories

Cost category	Category Description
Human Resources	Driver medicals, leaver's costs, occupational health, HR payroll support, CPC holder, expenses, training, conference costs, professional memberships
Digital – End Use Compute	Digital hardware including laptops, phone and in cab devices
Digital – Depot	Network management, intruder alarm, access control system, CCTV, fire alarm
Digital – Applications	Applications such as M365, MIS system and internal systems such and health and safety, fuel monitoring etc
Uniform	Uniforms for frontline staff
Tools and Consumables	Street cleansing tools and consumables, H&S equipment, office consumables, printing consumables, postage
Legal and General Expenses	Legal fees and general expenses
Travel and Entertainment	Travel, food and drinks, events
Insurances (not vehicles)	Building insurance, Employers' liability insurance

6.3.5 Margin

Margin costs apply only to the outsourced and LATCo options.

For outsourced arrangements, the assumed margin reflects contractor profit and corporate overheads, with variations between options reflecting differences in contract attractiveness and the level of competition. Margin levels may vary depending on opportunity attractiveness, vehicle funding arrangements, and the allocation of risk between the authority and contractor.

For the LATCo options, a lower margin allowance has been included to provide for risk and unplanned expenditure. Overheads are included separately in additional management staff costs and other costs.

The In-House option does not incur a contractor margin. Overheads are included separately in additional management staff costs and other costs.

Table 6-6 details the margin assumptions included in the modelling.

Table 6-6: Cost of Margin

Option	Description	Margin %	Notes
1	**Extension**	13.8%	Typical contractor margin range of 10-12%, covering profit and corporate overheads, including centralised functions. Adjusted up so that the total annual cost modelled matches with the extension price provided by Veolia.
2	**Outsourced**	10.0%	Lower end of the range assumed, reflecting the greater attractiveness and market competition of a single joint contract.
3	**Outsourced (two contracts)**	11.0%	Mid-point of the range assumed, reflecting lower attractiveness than a single joint contract but greater competition than an extension.
4	**In-House (two services)**	-	No contractor margin applies.
5	**LATCo (single entity)**	3.0%	Accounts for unplanned expenditure and risk contingency.
6	**LATCo (two entities)**	3.0%	

6.4 Transition and Mobilisation Costs (One-Off Costs)

The costs associated with transitioning to the options and mobilisation costs, which are all one-off costs, have also been modelled. The outcome of this can be seen in Table 6-7.

Table 6-7: One-Off Transition and Mobilisation Costs

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Legal Support	£15.0k	£70.0k	£140.0k	£0.0k	£80.0k	£160.0k
LATCo Set Up	£0.0k	£0.0k	£0.0k	£0.0k	£25.0k	£50.0k
Procurement Technical Support	£0.0k	£50.0k	£100.0k	£0.0k	£0.0k	£0.0k
Compliance	£0.0k	£1.3k	£1.3k	£2.3k	£2.3k	£2.3k
Human Resources	£0.0k	£20.0k	£20.0k	£20.0k	£20.0k	£20.0k
Digital	£0.0k	£240.0k	£360.0k	£360.0k	£240.0k	£360.0k
Depot	£0.0k	£34.5k	£34.5k	£34.5k	£34.5k	£34.5k
Service Costs (sub-total)	**£15.0k**	**£415.8k**	**£655.8k**	**£416.8k**	**£401.8k**	**£626.8k**
Contingency (15%)	£2.3k	£62.4k	£98.4k	£62.5k	£60.3k	£94.0k
Resource Costs	£0.0k	£561.3k	£1,122.7k	£1,233.5k	£824.7k	£1,483.0k
Total	**£17.3k**	**£1,039.5k**	**£1,876.9k**	**£1,712.9k**	**£1,286.8k**	**£2,203.9k**

Each cost category is further detailed below in Table 6-8.

Table 6-8: Transition / Mobilisation Costs - Description of Categories

Cost category	Category Description
Legal Support	Contract document development, legal support with procurement and dialogue process
LATCo Set Up	Business plan development, technical support for mobilisation, branding
Procurement Technical Support	Technical support with procurement and dialogue process
Compliance	Licensing and permitting
Human Resources	HR services support, mandatory training
Digital	End user compute (set up of users etc.), depot networking, applications
Depot	Fire risk assessments, initial depot works, purchase of tools, furniture and stationery
Contingency	Extra 15% for contingency
Resource Deployment Costs	Deployment of resources (project manager, project administrator, HR manager etc.) during mobilisation period

Option 6 (LATCo two entities) has the highest transition and mobilisation costs, followed by Option 3 (Outsourced two contracts) and Option 4 (In-House). This is mainly due to the duplication of resource deployment costs for each council.

It is worth noting that for the In-House and LATCo options these would be one-off costs (assuming that there is no other service delivery change in the future), however, for the re-procurement options, these costs would be incurred for every new procurement. There are two caveats to this:

- It is possible that after eight years of LATCo, LATCo members decide to market test this service delivery method and therefore incur midterm costs similar to re-procurement costs; and
- For the re-procurement options, should the contract(s) perform well, DDC and FHDC could extend the contract(s) to avoid midterm re-procurement costs.

The resource deployment plan to mobilise the future service delivery option is outlined in Table 6-9, including the estimated deployment duration (in months).

All resources are scheduled to be deployed prior to the start date of the new service delivery model. Roles that are already accounted for within the additional overheads in the annual cost estimates (such as the Managing Director for a LATCo) are deployed only up to the service commencement date to prevent double-counting. Resources not already included in annual costs (such as the contractor senior project manager) are deployed until three months after the service launches to ensure effective embedding of the new arrangements.

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Table 6-9: Transition and Mobilisation Resources

Option	Option 1		Option 2		Option 3		Option 4		Option 5		Option 6	
	Extension		Outsourced (single contract)		Outsourced (two contracts)		In-House (two services)		LATCo (single entity)		LATCo (two entities)	
Resource	**No.**	**Months**	**No.**	**Months**	**No.**	**Months**	**No.**	**Months**	**No.**	**Months**	**No.**	**Months**
Head of Service							2	9				
Managing Director									1	9	2	9
Operations Director									1	6		
Senior Project Manager (Contractor/LATCo)			1	9	2	9			1	12	2	12
Senior Contracts Manager			1	9	2	9			1	9	2	9
HSEQ Manager			1	6	2	6	2	6	1	6	2	6
Transport Manager			1	3	2	3	2	3	1	3	2	3
Finance Manager			1	3	2	3	2	3	1	3	2	3
HR Manager			1	6	2	6	2	12	1	6	2	6
HR Administrator			1	3	2	3	2	6	1	3	2	3
Senior Project Manager (Council)			1	9	2	9	2	12	1	9	2	9
Project Administrator (Council)			1	6	2	6	2	6	1	6	2	6

6.5 Cost Modelling Results – By Authority

This section breaks down the modelling results by authority, presenting annual costs, transition costs and total cost summaries including vehicle capital costs.

6.5.1 Annual costs

DDC

Table 6-10 presents the total annual revenue costs for DDC.

The future service delivery options are only marginally more expensive than the baseline arrangement. This reflects the DDC element of the current contract having a modelled margin and overhead allowance of approximately 9%, which is broadly consistent with market expectations. It should also be noted that future option costs are presented excluding future inflation and on a like-for-like basis with the baseline. Further details on the baseline assumptions are provided in Section 6.2.

The ranking of options is consistent with the combined authority analysis. The joint service options are more cost-effective than the equivalent arrangements where DDC and FHDC operate separately, reflecting the benefits of shared management, overheads and operational efficiencies.

FHDC

Table 6-11 presents the total annual revenue costs for FHDC.

In contrast to DDC, the future service delivery options are noticeably more expensive than the baseline arrangement. However, the current contract operates as a single integrated service across both authorities, and therefore the costs attributable to each council individually should be interpreted with caution. Future option costs are presented excluding future inflation and on a like-for-like basis with the baseline. The increases therefore reflect changes in the operating model rather than inflationary cost growth. Further details on the baseline assumptions are provided in Section 6.2.

The ranking of options is consistent with the combined authority analysis. The joint service options are more cost-effective than the equivalent arrangements where DDC and FHDC operate separately, reflecting the benefits of shared management, overheads and operational efficiencies.

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Table 6-10: Modelled Detailed Annual Costs for Baseline and Each Future Service Delivery Option, DDC

Option		Baseline	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description			**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Staff - Frontline	Wages	£3.43m	£3.43m	£3.43m	£3.43m	£3.43m	£3.43m	£3.43m
	Pension	£0.09m	£0.09m	£0.09m	£0.09m	£0.56m	£0.09m	£0.09m
	Overtime, sickness and holiday cover	£0.26m	£0.26m	£0.26m	£0.26m	£0.74m	£0.26m	£0.26m
	National Insurance	£0.47m	£0.47m	£0.47m	£0.47m	£0.55m	£0.47m	£0.47m
	Other (bonuses, apprentice levy)	£0.04m	£0.04m	£0.04m	£0.04m	£0.05m	£0.04m	£0.04m
Staff - Management		£0.41m	£0.41m	£0.41m	£0.46m	£0.86m	£0.66m	£0.82m
Vehicles and Equipment	Fuel	£0.50m	£0.50m	£0.50m	£0.52m	£0.58m	£0.55m	£0.58m
	Maintenance and repair	£0.46m	£0.46m	£0.46m	£0.50m	£0.54m	£0.51m	£0.54m
	Tax and insurance	£0.01m	£0.01m	£0.06m	£0.06m	£0.07m	£0.07m	£0.07m
	Lease costs and asset depreciation[3]	£0.10m	£0.10m	£0.02m	£0.02m	£0.00m	£0.00m	£0.00m
Depot and other costs	Depot costs	£0.14m	£0.14m	£0.14m	£0.14m	£0.14m	£0.14m	£0.14m
	Other costs (e.g. H&S, IT)	£0.24m	£0.24m	£0.24m	£0.33m	£0.73m	£0.59m	£0.75m
Total (excl. margin)		**£6.15m**	**£6.15m**	**£6.13m**	**£6.33m**	**£8.24m**	**£6.80m**	**£7.19m**
Margin		£0.59m	£0.99m	£0.68m	£0.78m	£0.00m	£0.21m	£0.22m
Margin (%)		8.7%	13.8%	10.0%	11.0%	0.0%	3.0%	3.0%
Total (incl. margin)		**£6.74m**	**£7.14m**	**£6.81m**	**£7.11m**	**£8.24m**	**£7.01m**	**£7.41m**

[3] A small number of vehicles are leased or owned by the incumbent. Most of the fleet is owned by the Councils, with the associated capital costs set out in Section 6.3.3.

Table 6-11: Modelled Detailed Annual Costs for Baseline and Each Future Service Delivery Option, FHDC

Option		Baseline	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description			**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Staff - Frontline	Wages	£3.56m	£3.56m	£3.56m	£3.56m	£3.56m	£3.56m	£3.56m
	Pension	£0.09m	£0.09m	£0.09m	£0.09m	£0.61m	£0.09m	£0.09m
	Overtime, sickness and holiday cover	£0.27m	£0.27m	£0.27m	£0.27m	£0.82m	£0.27m	£0.27m
	National Insurance	£0.49m	£0.49m	£0.49m	£0.49m	£0.57m	£0.49m	£0.49m
	Other (bonuses, apprentice levy)	£0.05m	£0.05m	£0.05m	£0.05m	£0.05m	£0.05m	£0.05m
Staff - Management		£0.58m	£0.58m	£0.58m	£0.63m	£1.08m	£0.80m	£0.98m
Vehicles and Equipment	Fuel	£0.46m	£0.46m	£0.46m	£0.48m	£0.53m	£0.50m	£0.53m
	Maintenance and repair	£0.43m	£0.43m	£0.43m	£0.47m	£0.52m	£0.48m	£0.52m
	Tax and insurance	£0.01m	£0.01m	£0.06m	£0.06m	£0.07m	£0.06m	£0.07m
	Lease costs and asset depreciation[4]	£0.06m	£0.06m	£0.01m	£0.01m	£0.01m	£0.01m	£0.01m
Depot and other costs	Depot costs	£0.13m	£0.13m	£0.13m	£0.13m	£0.13m	£0.13m	£0.13m
	Other costs (e.g. H&S, IT)	£0.22m	£0.22m	£0.22m	£0.31m	£0.68m	£0.54m	£0.70m
Total (excl. margin)		**£6.34m**	**£6.34m**	**£6.33m**	**£6.53m**	**£8.62m**	**£6.97m**	**£7.38m**
Margin		-£0.07m	£1.02m	£0.70m	£0.81m	£0.00m	£0.22m	£0.23m
Margin (%)		-1.1%	13.8%	10.0%	11.0%	0.0%	3.0%	3.0%
Total (incl. margin)		**£6.27m**	**£7.36m**	**£7.03m**	**£7.33m**	**£8.62m**	**£7.19m**	**£7.60m**

[4] A small number of vehicles are leased or owned by the incumbent. Most of the fleet is owned by the Councils, with the associated capital costs set out in Section 6.3.3.

6.5.2 Transition and Mobilisation Costs (One-Off Costs)

Table 6-12 and Table 6-13 present transition costs for DDC and FHDC, respectively. Fixed service costs and resource costs are shared equally between both authorities.

Table 6-12: One-Off Transition and Mobilisation Costs, DDC

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Legal Support	£7.5k	£35.0k	£70.0k	£0.0k	£40.0k	£80.0k
LATCo Set Up	£0.0k	£0.0k	£0.0k	£0.0k	£12.5k	£25.0k
Procurement Technical Support	£0.0k	£25.0k	£50.0k	£0.0k	£0.0k	£0.0k
Compliance	£0.0k	£0.7k	£0.7k	£1.2k	£1.2k	£1.2k
Human Resources	£0.0k	£10.0k	£10.0k	£10.0k	£10.0k	£10.0k
Digital	£0.0k	£120.0k	£180.0k	£180.0k	£120.0k	£180.0k
Depot	£0.0k	£17.3k	£17.3k	£17.3k	£17.3k	£17.3k
Service Costs (sub-total)	**£7.5k**	**£207.9k**	**£327.9k**	**£208.4k**	**£200.9k**	**£313.4k**
Contingency (15%)	£1.1k	£31.2k	£49.2k	£31.3k	£30.1k	£47.0k
Resource Costs	£0.0k	£280.7k	£561.3k	£616.8k	£412.3k	£741.5k
Total	**£8.6k**	**£519.8k**	**£938.4k**	**£856.4k**	**£643.4k**	**£1,101.9k**

Table 6-13: One-Off Transition and Mobilisation Costs, FHDC

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Legal Support	£7.5k	£35.0k	£70.0k	£0.0k	£40.0k	£80.0k
LATCo Set Up	£0.0k	£0.0k	£0.0k	£0.0k	£12.5k	£25.0k
Procurement Technical Support	£0.0k	£25.0k	£50.0k	£0.0k	£0.0k	£0.0k
Compliance	£0.0k	£0.7k	£0.7k	£1.2k	£1.2k	£1.2k
Human Resources	£0.0k	£10.0k	£10.0k	£10.0k	£10.0k	£10.0k
Digital	£0.0k	£120.0k	£180.0k	£180.0k	£120.0k	£180.0k
Depot	£0.0k	£17.3k	£17.3k	£17.3k	£17.3k	£17.3k
Service Costs (sub-total)	**£7.5k**	**£207.9k**	**£327.9k**	**£208.4k**	**£200.9k**	**£313.4k**
Contingency (15%)	£1.1k	£31.2k	£49.2k	£31.3k	£30.1k	£47.0k
Resource Costs	£0.0k	£280.7k	£561.3k	£616.8k	£412.3k	£741.5k
Total	**£8.6k**	**£519.8k**	**£938.4k**	**£856.4k**	**£643.4k**	**£1,101.9k**

6.5.3 Summary by authority

Table 6-14 and Table 6-15 summarise costs for DDC and FHDC, respectively. Annual costs are recurring revenue costs to each authority. Vehicle capital costs are the total capital outlay, assuming each authority funds its own requirements, including borrowing costs over the vehicle lifetime. Transition costs are one-off.

Total costs over the 8-year period equal the sum of annual revenue costs, total vehicle capital costs, and one-off transition costs.

Table 6-14: Cost Summary by Option, DDC

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Annual Costs	£7.14m	£6.81m	£7.11m	£8.24m	£7.01m	£7.41m
Vehicle Capital Costs	£8.16m	£8.16m	£8.78m	£9.65m	£8.98m	£9.65m
Transition Costs	£0.01m	£0.52m	£0.94m	£0.86m	£0.64m	£1.10m
Total Costs over an 8-Year Period[5]	**£65.32m**	**£63.19m**	**£66.61m**	**£76.40m**	**£65.73m**	**£70.06m**

[5] Excluding inflation

Table 6-15: Cost Summary by Option, FHDC

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Annual Costs	£7.36m	£7.03m	£7.33m	£8.62m	£7.19m	£7.60m
Vehicle Capital Costs	£7.66m	£7.66m	£8.32m	£9.16m	£8.43m	£9.16m
Transition Costs	£0.01m	£0.52m	£0.94m	£0.86m	£0.64m	£1.10m
Total Costs over an 8-Year Period[6]	**£66.52m**	**£64.43m**	**£67.94m**	**£79.01m**	**£66.58m**	**£71.10m**

[6] Excluding inflation

7.0 Risk Assessment

7.1 Detailed Breakdown of Risk Assessment Scores

The following sections of this report detail the scores allocated for each option under each criterion within the evaluation framework model and provide a rationale for Eunomia's assessment.

7.2 Financial and Commercial Risk

Table 7-1 provides a summary of the evaluation scoring for each option when considering the criteria of financial and commercial risk. A detailed rationale for this evaluation is provided below.

Table 7-1: Options Evaluation – Financial and Commercial Risk

Criteria:		Financial and Commercial Risk	**Weighting**:	10%
Option	**Score**	**Description**		
1	2	Extension of the Existing Joint Contract		
2	4	Outsourced Service with a break clause (Single Contract)		
3	3	Outsourced Service (Two Separate Contracts)		
4	1	In-House Service Delivery (Two Separate Services)		
5	1	Joint Local Authority Trading Company (LATCo)		
6	1	Two Separate Local Authority Trading Companies (LATCos)		

When assessing financial and commercial risk, consideration was given to:

- the extent to which each commissioning option transfers financial and operational risk away from the authorities;
- the degree of budget certainty provided; and
- exposure to commercial liabilities.

Option 1 (extension of the existing joint contract) scored a 2. This option carries a moderate increase in financial and commercial risk for the Councils. The principal risk arises from the proposed extension of the existing Veolia contract beyond its currently envisaged term. In light of the pause to Local Government Reorganisation (LGR), and the possibility that LGR may not proceed, the risk of a procurement challenge to an extension is more significant than previously assumed. Although measures such as a VEAT notice could be used to mitigate this risk, the potential for legal challenge cannot be discounted.

There is also a financial risk associated with the funding of replacement vehicles during the extension period. Should the Councils decide not to fund the required vehicles directly, Veolia's alternative would be to lease the vehicles. Based on Veolia's indicative costs, this approach would be significantly more expensive than council-funded asset replacement and could increase the overall cost of the extension.

Option 2 (outsourced with a break clause, single contract) also scored a 4, as this maintains the key benefits of an outsourced arrangement, including transfer of operational and workforce risk to the contractor, contractual performance mechanisms and a high degree of cost certainty over the contract term. The procurement process would also provide competitive tension and an opportunity to secure value for money through market testing.

The inclusion of a break clause provides financial certainty and flexibility and does not materially increase the authorities' financial and commercial risk exposure compared with existing arrangements.

Option 3 (outsourced service, two separate contracts) scored a 3. This option retains many of the advantages associated with outsourcing, including risk transfer to the contractor and contractual cost certainty. However, financial and commercial risk is increased relative to Option 2 because DDC and FHDC would each undertake separate procurements and manage separate contractual arrangements. The loss of scale associated with the existing joint contract may reduce purchasing power and could limit the authorities' ability to generate efficiencies through shared service delivery. While these risks are manageable and the overall model remains relatively low risk compared with Options 4 to 6, the option represents a moderate increase in commercial exposure and therefore scores slightly lower than the joint outsourced approach.

Three options scored a 1 for this criterion, these were:

- **Option 4 (In-House, two services)**
- **Option 5 (LATCo, single entity)**
- **Option 6 (LATCo, two entities)**

This score has been awarded for slightly different reasons as discussed below:

Option 4 (In-House, two services) represents the most significant shift in financial and commercial risk from the current operating model. Under this arrangement, DDC and FHDC would assume direct responsibility for all operational, workforce, fleet, asset management and service delivery risks. The authorities would also become directly exposed to inflationary pressures, recruitment challenges, sickness absence, industrial relations issues and future capital replacement requirements.

In **Option 5 (LATCo, single entity),** whilst this option offers greater local influence over service delivery than a traditional contract arrangement, it exposes both DDC and FHDC to significantly greater commercial risk than outsourcing. As shareholders in the LATCo, the authorities would ultimately bear the financial consequences of operational underperformance, cost escalation or business failure.

This option also introduces additional governance, shareholder and financial oversight requirements for both councils. The authorities would retain a greater proportion of risk than under an outsourced arrangement. Consequently, this option is assessed as representing a significant increase in financial and commercial risk relative to the current position.

For **Option 6 (LATCo, two entities),** the risks associated with this option are similar to those for Option 5.

7.3 People and Management Risk

Table 7-2 provides a summary of the evaluation scoring for each option when considering the criteria of people and management risk. A detailed rationale for this evaluation is provided below.

Table 7-2: Options Evaluation – People and Management Risk

Criteria:		People and Management Risk	Weighting:	15%
Option	**Score**	**Description**		
1	5	Extension of the Existing Joint Contract		
2	5	Outsourced Service with a break clause (Single Contract)		
3	5	Outsourced Service (Two Separate Contracts)		
4	2	In-House Service Delivery (Two Separate Services)		
5	2	Joint Local Authority Trading Company (LATCo)		
6	2	Two Separate Local Authority Trading Companies (LATCos)		

When assessing people and management risk, consideration was given to whether the delivery organisation possesses the necessary skills, experience, management structures and workforce capacity to successfully deliver waste collection, recycling and street cleansing services.

The following options all scored a 5:

- **Option 1 (extension of the existing joint contract)**
- **Option 2 (outsourced with a break clause, single contract)**
- **Option 3 (outsourced service, two separate contracts**)

All three options present a low level of people and management risk. In each case, service delivery would be undertaken by a specialist waste management contractor with the experience, management capability and operational capacity necessary to mobilise and deliver services across both legacy authority areas. Responsibility for recruitment, workforce management, training and service delivery would remain largely with the contractor.

Option 4 (In-House, two services) scored a 2 as this option would require both DDC and FHDC to directly deliver waste collection and street cleansing services, resulting in a significant increase in people and management requirements. New operational management structures would need to be established, alongside additional expertise in fleet management, health and safety, HR, payroll, procurement and operational planning.

Option 5 (LATCo, single entity) and Option 6 (LATCo, two entities) scored a 2 for similar reasons as Option 4. Although in these options this risk is within a LATCo as this is not an established and experienced entity the risk of failure or significant issues is high. Additionally, although the model may provide longer-term benefits, the requirement to create a new operational entity results in a significantly higher level of management and recruitment risk than the outsourced or existing LATCo options.

7.4 Market Conditions

Table 7-3 provides a summary of the evaluation scoring for each option when considering the criteria of market conditions. A detailed rationale for this evaluation is provided below.

Table 7-3: Options Evaluation – Market Conditions

Criteria:		Market Conditions	**Weighting:**	10%
Option	**Score**	**Description**		
1	5	Extension of the Existing Joint Contract		
2	4	Outsourced Service with a break clause (Single Contract)		
3	3	Outsourced Service (Two Separate Contracts)		
4	5	In-House Service Delivery (Two Separate Services)		
5	5	Joint Local Authority Trading Company (LATCo)		
6	5	Two Separate Local Authority Trading Companies (LATCos)		

When assessing market conditions, consideration was given to the extent to which current and anticipated market conditions support each commissioning option. This included consideration of contractor appetite, competition within the waste collection market, the attractiveness of the opportunity to potential bidders, the availability of alternative delivery models, and the extent to which each option is exposed to market pressures and procurement risks.

The following options scored a 5 as they do not rely on the market to respond to an opportunity:

- **Option 1 (extension of the existing joint contract)**
- **Option 4 (In-House, two services)**
- **Option 5 (LATCo, single entity)**
- **Option 6 (LATCo, two entities)**

Option 2 (Outsourced with a break clause, single contract) scored a 4 as the waste collection market remains relatively established, with a number of experienced operators active within the sector. A joint contract covering both DDC and FHDC is likely to be of sufficient scale to attract interest from the market and generate competitive tension through the procurement process. The inclusion of a break clause may introduce some concerns for bidders, particularly regarding revenue certainty over the longer term; however, these risks are considered manageable and are unlikely to materially impact market interest. Further market analysis is included in Section 7.4.1.

Option 3 (Outsourced, two contracts) scored a lower mark of 3 as although separate procurements would continue to benefit from an established waste collection market; however, each contract would be smaller in scale than the equivalent joint procurement option. Whilst this may improve flexibility, it may reduce the attractiveness of the opportunity to some providers and limit the efficiencies available

through larger-scale service delivery. Additionally, undertaking two separate procurements may reduce competition and increase procurement costs. The option remains viable within current market conditions but presents more substantial market-related risks than a single joint contract

7.4.1 Market Analysis

The waste collection and street cleansing market has undergone significant consolidation over the last decade, resulting in a smaller number of large national operators being responsible for a growing proportion of local authority collection contracts. Whilst the sector remains competitive, the number of organisations with the financial standing, operational capacity and experience required to deliver large-scale waste collection and street cleansing services has reduced over time. As a result, the market for contracts of this nature is now largely concentrated around a relatively small number of established providers, including Biffa, FCC Environment, Serco, SUEZ and Veolia, alongside a limited number of emerging operators such as Plan B.

The consolidation of the market has been driven by several factors, including increasing service complexity, more demanding contractual requirements, rising vehicle and infrastructure costs, labour shortages and greater financial risk associated with long-term contracts. In addition, a number of operators have reduced their involvement in the municipal collections market in recent years, resulting in fewer organisations actively pursuing local authority collection contracts. This has reduced the number of bidders available for some procurements and increased competition between authorities seeking to bring contracts to market over similar timescales.

Despite these market changes, there remains evidence of ongoing competition for municipal collection contracts, particularly where opportunities are appropriately structured and provide sufficient scale, duration and commercial certainty. Larger contracts are generally considered more attractive to bidders as they offer greater opportunities to realise operational efficiencies, optimise asset utilisation and recover mobilisation costs over a longer contract period. Consequently, the joint procurement option is likely to generate stronger market interest than smaller, standalone procurements covering individual authority areas.

The timing of any future procurement will also be an important consideration. Early market engagement and soft market testing would therefore be advisable prior to any procurement exercise to understand bidder appetite, identify potential concerns and ensure that the proposed contract structure aligns with market expectations.

Table 7-4 summarises Local Authorities potentially competing for market interest.

Table 7-4 Authorities Potentially Competing for Market Interest (2027-2029)

Authority	Current Contractor	Current End Date
Central Bedfordshire	FCC Environment	Feb 2028
Doncaster	Suez	Mar 2028
Isle of Wight	Amey	Mar 2028
Mid Suffolk & Babergh	Serco	Mar 2028
Havant	Norse South East	Apr 2028
Leicester	Biffa	May 2028
Melton	Biffa	Sep 2028
DDC and FHDC	Veolia	Jan 2029
Cornwall	Biffa	Feb 2029
Winchester	Biffa	Feb 2029
North Norfolk (joint contract)	Serco	Mar 2029
Welwyn Hatfield	FCC Environment	Mar 2029
Chorley	FCC Environment	Apr 2029
Tandridge	Biffa	Apr 2029
Buckinghamshire	Veolia	Sep 2029

Whilst the municipal waste market remains capable of supporting a future procurement for DDC and FHDC, current intelligence suggests that a number of collection contracts across England, including several within the South East, are expected to reach key decision points between 2027 and 2029. The timing of these procurements may create competition for bidder attention and mobilisation resources among the relatively small number of operators active within the market. Early engagement with the market and the development of a clear procurement strategy will therefore be important in maximising competition and securing best value. The above position will of course be impacted by uncertainty around LGR for many.

7.5 Operational Risk

Table 7-5 provides a summary of the evaluation scoring for each option when considering the criteria of operational risk. A detailed rationale for this evaluation is provided below.

Table 7-5: Options Evaluation – Operational Risk

Criteria:		Operational Risk	**Weighting**:	15%
Option	**Score**	**Description**		
1	5	Extension of the Existing Joint Contract		
2	5	Outsourced Service with a break clause (Single Contract)		
3	5	Outsourced Service (Two Separate Contracts)		
4	2	In-House Service Delivery (Two Separate Services)		
5	2	Joint Local Authority Trading Company (LATCo)		
6	2	Two Separate Local Authority Trading Companies (LATCos)		

When assessing operational risk, consideration was given to the likelihood of service disruption, performance failure, resilience of operational arrangements, management capability and the operational maturity of the organisation responsible for delivering the service following mobilisation. Particular consideration was given to the transfer of operational risk between the authority and the delivery organisation.

The following options all scored a 5:

- **Option 1 (extension of the existing joint contract)**
- **Option 2 (outsourced with a break clause, single contract)**
- **Option 3 (outsourced, two contracts**)

All three options present a low level of operational risk. In each case, services would be delivered by an experienced contractor with operational expertise and established systems for managing waste collection and street cleansing services. Option 1 benefits from the continuation of an established and mature operating model, while in Options 2 and 3 the procurement process will allow the new contractor to be tested to provide confidence in their ability to deliver the services.

Option 5 (LATCo, single entity) , Option 4 (In-House, two services) and **Option 6 (LATCo, two entities)** scored 2, but for different reasons.

In Option 4, this option transfers all operational risk directly to DDC and FHDC. The authorities would become responsible for service planning, fleet management, workforce management, health and safety compliance and day-to-day operational performance. Whilst the option is deliverable, the transition from a long-standing outsourced model introduces a relatively high probability of operational challenges, particularly during the early years of service delivery.

For Option 5 and 6, these options introduce a combination of operational transition and organisational creation. As jointly or separately the Councils are required to establish a new delivery organisation and operational framework from the outset. The creation of new operational systems, management arrangements and service delivery processes introduces a comparatively high level of operational risk which aligns closely with bringing the services in-house.

7.6 Control and Ability to Change

Table 7-6 provides a summary of the evaluation scoring for each option when considering the criteria of control and ability to change. A detailed rationale for this evaluation is provided below.

Table 7-6: Options Evaluation – Control and Ability to Change

Criteria:		Control and Ability to Change	**Weighting**:	10%
Option	**Score**	**Description**		
1	1	Extension of the Existing Joint Contract		
2	3	Outsourced Service with a break clause (Single Contract)		
3	3	Outsourced Service (Two Separate Contracts)		
4	5	In-House Service Delivery (Two Separate Services)		
5	4	Joint Local Authority Trading Company (LATCo)		
6	4	Two Separate Local Authority Trading Companies (LATCos)		

Control and the ability to implement change is a key consideration when assessing long-term commissioning arrangements. Waste collection and street cleansing services are subject to evolving legislative requirements, changing resident expectations, emerging environmental objectives and ongoing financial pressures.

The ability of the new authorities to respond to these drivers, adapt services, implement policy changes, introduce service improvements and realise efficiencies will therefore be an important factor in determining the suitability of future delivery models. This criterion assesses the extent to which each option enables the authority to influence service delivery, make strategic and operational changes and retain the benefits of service improvements. In undertaking this assessment, consideration was given to the flexibility of the delivery model, the authority's ability to influence service standards and priorities, the ease with which contractual or operational changes can be implemented, the ability to respond to future legislative and policy requirements, the level of control over investment and service development, and the extent to which any efficiencies or benefits generated can be retained by the authority. Consideration was also given to any contractual, governance or organisational constraints that may limit the authority's ability to direct change over the lifetime of the arrangement.

Option 4 (In-House, two services) scored a 5. This option provides the highest level of control and flexibility available to the authorities as under an In-House model, DDC and FHDC would have direct responsibility for all aspects of service delivery and would be able to implement service changes without the need for contractual negotiation or procurement processes.

The authorities would have direct influence over operational arrangements, staffing structures, investment decisions, service standards and future service development. This would provide the greatest ability to respond quickly to changing legislation, policy objectives, budget pressures and resident expectations. Furthermore, any efficiencies generated through service improvements would be retained directly by the authorities.

The two LATCo options, **Option 5 (LATCo, single entity)** and **Option 6 (LATCo, two entities)** scored 4 as these options provide a greater degree of influence over service delivery than a traditional outsourced contract because DDC and FHDC would exercise control through shareholding and governance arrangements. As shareholders of the organisation(s), the authorities would be able to influence strategic direction, service priorities, investment decisions and business planning to a greater extent than is typically possible under a conventional contractual arrangement.

However, in both options the service would continue to be delivered through a separate corporate entity with its own governance framework, management structure and statutory responsibilities. Whilst the authorities would have significant influence over the direction of the organisation, they would not exercise the same degree of direct operational control as under an In-House delivery model. Significant service changes would need to progress through the governance processes of the LATCo and be implemented by the company's management team.

Option 2 (outsourced with a break clause, single contract) and **Option 3 (outsourced, two contracts)** scored a 3. These options provide a similar level of control to the current outsourced arrangement, with any future changes to services continuing to require negotiation through formal contractual variation processes. Although the inclusion of a break clause provides strategic flexibility in the longer term, it does not fundamentally alter the level of control the authorities would have over service delivery during the contract period. Equally in Option 3, although DDC and FHDC would each hold responsibility for their own contract and would be able to develop service specifications and commissioning arrangements that reflect local priorities. However, as with Option 2, service delivery would remain outsourced and substantial service changes would still require formal contractual negotiation with the appointed contractor.

Option 1 (Extension of the Existing Joint Contract) scored a 1. The option provides the Councils with the least control over future service design and delivery. Any extension would be negotiated directly with the incumbent contractor outside of a competitive procurement process, significantly limiting the Councils' ability to drive changes in service specification, pricing, contractual terms or wider service improvements. While contractual variations may still be possible, the absence of competitive tension reduces the authorities' leverage in negotiations and limits opportunities to reshape services in response to changing priorities.

7.7 Implementation Risk

Table 7-7 provides a summary of the evaluation scoring for each option when considering the criteria of implementation risk. A detailed rationale for this evaluation is provided below.

Table 7-7: Options Evaluation – Implementation Risk

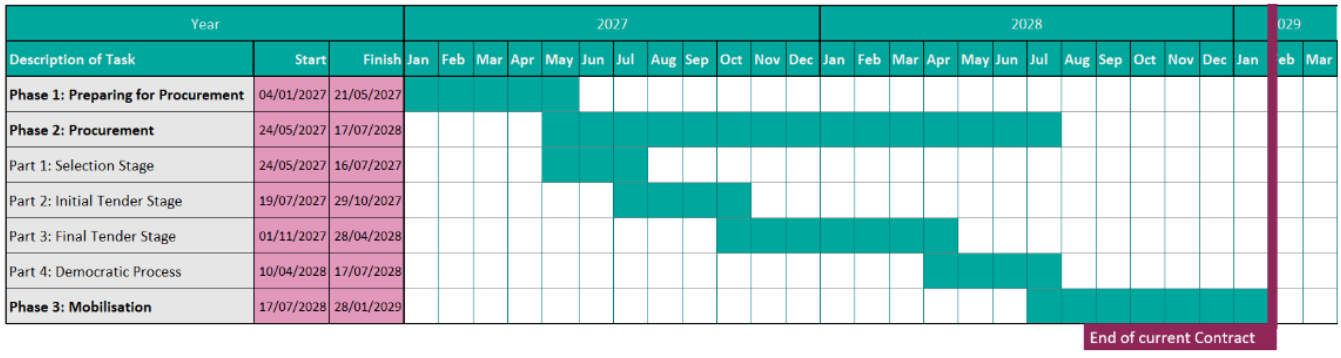
Criteria:		Implementation Risk	Weighting:	5%
Option	**Score**	**Description**		
1	5	Extension of the Existing Joint Contract		
2	3	Outsourced Service with a break clause (Single Contract)		
3	3	Outsourced Service (Two Separate Contracts)		
4	1	In-House Service Delivery (Two Separate Services)		
5	2	Joint Local Authority Trading Company (LATCo)		
6	2	Two Separate Local Authority Trading Companies (LATCos)		

When assessing implementation risk, consideration was given to the complexity of mobilisation, organisational change requirements, workforce transfer arrangements, procurement requirements, governance approvals and the extent of change required before services could commence operation under the proposed model.

Option 1 (extension of the existing joint contract) scored a 5 as it requires minimal operational change. The existing service would continue under current arrangements and would avoid the need for procurement, mobilisation, workforce restructuring or organisational transformation. Consequently, there are no implementation concerns.

Option 2 (Outsourced with a break clause, single contract) and **Option 3 (Outsourced, two contracts)** have been given a score of 3 for the same reasons. These options require a full procurement exercise and contract mobilisation process. Whilst these are well-established activities within the sector, they introduce a degree of implementation risk associated with bid evaluation, mobilisation, TUPE transfer and service commencement. However, these risks are common to outsourced contracts and are generally manageable. Based upon the procurement timetable developed by Eunomia DDC and FHDC would need to issue an FTS notice by late April 2027 to allow the contract to be reprocured and mobilised by January 2029. A high level procurement timetable is included in Figure 7-1.

Figure 7-1: High Level Procurement Timetable



Option 5 (LATCo, single entity) and Option 6 (LATCo, two entities) scored a 2 as these options requires significant governance, contractual and organisational changes to facilitate service transfer into the LATCo structure. Shareholder arrangements, service agreements and operational integration would need to be established. This activity would need to happen in advance and somewhat alongside operational mobilisation and transition with experienced professional employed to drive this process.

Option 4 (In-House, two services) scored a 1 as this option presents the highest implementation risk. Significant organisational change would be required for both DDC and FHDC , including workforce transfer, fleet acquisition, depot arrangements, operational systems, governance structures and the recruitment of specialist management capacity. This is deemed a higher risk than the LATCo options as this would need to fit into existing authority structures.

7.8 Social Value

Table 7-8 provides a summary of the evaluation scoring for each option when considering the criteria of social value. A detailed rationale for this evaluation is provided below.

Table 7-8: Options Evaluation – Social Value

Criteria:		Social Value	**Weighting**:	5%
Option	**Score**	**Description**		
1	3	Extension of the Existing Joint Contract		
2	5	Outsourced Service with a break clause (Single Contract)		
3	5	Outsourced Service (Two Separate Contracts)		
4	5	In-House Service Delivery (Two Separate Services)		
5	5	Joint Local Authority Trading Company (LATCo)		
6	5	Two Separate Local Authority Trading Companies (LATCos)		

All options apart from Option 1 (extension of the existing joint contract) are assessed to be able to potentially offer a substantial increase in social value provision compared to the current arrangement and have thus achieved the highest mark of five. This increase in social value contribution can either be directly/via the LATCo or built into a new contract.

Option 1 (extension of the existing joint contract) has been given a score of 3. This is because there is less incentive for Veolia to include additional social value commitments to DDC and FHDC with a contract extension as they are not competing for the contract within a competitive environment where the Councils can stipulate what needs to be included within social value commitments.

Eunomia does not feel that in general social value contribution will be limited by the length of the contract, although commitments would need to be tailored to reflect what is possible within the contract term.

8.0 Conclusion

8.1 Financial Modelling

Table 8-1 provides a summary of modelled costs for the future commissioning options, including annual costs and transition and mobilisation costs. The last row also provides total costs over an 8-year period, excluding inflation costs.

Table 8-1: Costs Summary

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Annual Costs	£14.50m	£13.84m	£14.45m	£16.86m	£14.20m	£15.02m
Vehicle Capital Costs	£15.83m	£15.83m	£17.10m	£18.81m	£17.41m	£18.81m
Transition Costs	£0.02m	£1.04m	£1.88m	£1.71m	£1.29m	£2.20m
Total Costs over an 8-Year Period[7]	**£131.84m**	**£127.62m**	**£134.55m**	**£155.40m**	**£132.31m**	**£141.16m**

The financial analysis shows that Option 2 (Outsourced with a break clause, single contract) has the lowest modelled cost of the potential future commissioning options. However, the total cost of this option over an 8-year period is very similar to the cost of the second, third and fourth lowest modelled cost options, respectively: Option 1 (Extension), Option 5 (LATCo, single entity) and Option 3 (Outsourced, two contracts).

When looking at total costs over an 8-year period, the gap between Option 4 (In-House, two services) and the other options becomes more significant.

8.2 Overall Cost and Quality Scores

The commissioning options risk assessment undertaken as part of this work and combined with results of the financial modelling is summarised in Table 8-2.

The analysis indicates that **Option 2 (Outsourced with a break clause, single contract)** achieves the highest overall score and ranks first. This reflects its combination of a relatively favourable cost position and a lower delivery risk profile, when compared with the more transformational options.

Option 3 (Outsourced, two contracts) ranks second overall. Although it achieves a similar qualitative assessment to Option 2, the loss of efficiencies associated with a single combined contract results in a higher cost position and a lower overall score.

Option 1 (Extension) ranks third overall. Although it scores strongly on cost and benefits from service continuity, it achieves a lower overall score than the outsourcing options due to the financial and commercial risks associated with extending the existing contract. In particular, there remains a risk of

[7] Excluding inflation

challenge to the extension should LGR not proceed, alongside reduced opportunities to influence service design, compared with a competitively procured solution.

Option 5 (LATCo, single entity) ranks fourth. Whilst its cost position is broadly comparable to the leading outsourced options, it carries higher commercial, governance, people and management risks, resulting in a lower combined score.

Option 6 (LATCo, two entities) ranks fifth overall. In addition to the higher risks associated with the LATCo model, the creation of separate organisations for DDC and FHDC reduces opportunities for shared management and overhead efficiencies, resulting in a less favourable cost and quality outcome.

Option 4 (In-House, two services) ranks last and is by some margin the lowest-scoring option overall. This reflects both its significantly higher modelled cost and its higher operational, commercial, people and management risks relative to the other options considered.

Table 8-2 Summary of Commissioning Options Assessment

Option	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Description	**Extension**	**Outsourced (single contract)**	**Outsourced (two contracts)**	**In-House (two services)**	**LATCo (single entity)**	**LATCo (two entities)**
Total Score	**82.6%**	**90.0%**	**84.8%**	**64.6%**	**68.2%**	**66.7%**
Rank	**3**	**1**	**2**	**6**	**4**	**5**

8.3 Summary and Recommendation

Based on the combined results of the financial modelling and commissioning options assessment, Eunomia recommends that the Councils choose **Option 2 (Outsourced with a break clause, single contract)**. This option achieves the highest overall score and offers the most favourable balance of cost, risk and deliverability. The inclusion of an LGR-linked break clause helps manage the uncertainty surrounding local government reorganisation, ensuring the option remains appropriate whether LGR proceeds or not, while retaining the benefits of a longer-term contract in terms of market interest, stability and value for money.

Appendix

A.1.0 LGR Considerations

Whilst the future structure and implementation timetable for Local Government Reorganisation (LGR) remains uncertain, it is important to consider how each commissioning option would perform should East Kent and Mid Kent unitary authorities be established. Unlike the main evaluation, which focuses on cost, quality and deliverability, this assessment considers the extent to which each option provides flexibility, supports transition to the new authorities and avoids creating barriers to future service integration. The assessment therefore places significant emphasis on an option's ability to manage uncertainty and preserve future strategic choices.

From an LGR perspective, Options 1 and 2 provide the strongest response to uncertainty, as both allow major strategic decisions to be deferred until East Kent and Mid Kent are established and able to determine their long-term service delivery requirements. Option 1 achieves this through a short-term extension, while Option 2 provides similar flexibility through the inclusion of a dedicated LGR break clause.

Option 3 is also highly compatible with LGR and offers a clear alignment with future authority boundaries, although it requires longer-term decisions to be made before the future operating environment is fully understood.

Options 4 and 6 align well with future governance structures but require significant organisational change immediately prior to reorganisation, increasing the risk of duplication or future restructuring.

Option 5 presents the greatest LGR-related challenge due to the requirement for ongoing cross-boundary ownership and governance between two future unitary authorities

Option 1: Extension of the Existing Joint Contract

Option 1 performs strongly from an LGR perspective because it is explicitly designed as a transitional arrangement. Extending the existing contract would provide continuity of service and avoid the need for DDC and FHDC to make a long-term commissioning decision immediately prior to reorganisation.

The principal benefit of this approach is that it allows East Kent and Mid Kent to become established before determining their preferred long-term waste collection and street cleansing arrangements. This would enable the new authorities to assess the services inherited from other legacy councils and make commissioning decisions based on a clearer understanding of future governance structures, strategic priorities and service integration opportunities.

Whilst the option would temporarily retain a cross-boundary arrangement between the future authorities, this is considered manageable given the short-term nature of the proposal and the flexibility it provides.

LGR Assessment: Green

Option 2: Outsourced Service with a Break Clause (Single Joint Contract)

Option 2 also performs well because it combines the benefits of a joint procurement with flexibility for the future authorities. The inclusion of a break clause specifically linked to LGR provides East Kent and Mid Kent with a mechanism to review and potentially realign service delivery arrangements once the new councils are operational.

This approach allows DDC and FHDC to secure the benefits of a larger-scale procurement whilst avoiding the risk of committing future authorities to a long-term arrangement that may not align with

their eventual strategic direction. The break clause is particularly valuable given the differing commissioning environments likely to emerge in East Kent and Mid Kent.

Although some joint governance arrangements would remain in place during the contract term, the ability to exit the arrangement if required materially reduces the long-term LGR risk.

LGR Assessment: Green

Option 3: Outsourced Service (Two Separate Contracts)

Option 3 aligns directly with the proposed East Kent and Mid Kent geography and would avoid the need for any future cross-boundary governance arrangements. Each future authority would have full control over its own commissioning arrangements, service specifications and future service development.

The option provides a high degree of compatibility with LGR and would allow each authority to align its services with the wider arrangements inherited from neighbouring legacy councils.

However, unlike Options 1 and 2, this option requires long-term commissioning decisions to be made before the future arrangements and priorities of East Kent and Mid Kent are fully understood. Whilst highly compatible with the future structure, it offers less flexibility to respond to uncertainty.

LGR Assessment: Green

Option 4: In-House Service Delivery (Two Services)

Option 4 is structurally compatible with LGR as each future authority would operate and manage its own services independently. This removes the need for ongoing governance arrangements between East Kent and Mid Kent and provides both authorities with full control over future service development.

However, the option would require significant organisational change, recruitment and mobilisation activity immediately prior to reorganisation. There is therefore a risk that substantial effort and investment could subsequently require restructuring or harmonisation as the new authorities seek to integrate wider services following LGR.

Whilst governance risks are limited, the timing of implementation relative to LGR reduces the attractiveness of the option.

LGR Assessment: Amber

Option 5: Joint LATCo

Option 5 represents the greatest LGR challenge of all options considered. The model would require continued joint ownership and governance between East Kent and Mid Kent following reorganisation, with both authorities sharing responsibility for the strategic direction and oversight of the company.

Whilst such arrangements can operate successfully, they introduce an additional layer of governance complexity at a time when both new authorities will already be undergoing significant organisational transformation. Differences in priorities, financial objectives or approaches to service development could create challenges over time.

Although the option benefits from shared service delivery, its ongoing reliance on cross-boundary governance means it is less well aligned to the future local government structure than the alternative options.

LGR Assessment: Amber/Red

Option 6: Two Separate LATCos

Option 6 broadly mirrors the future unitary authority structure and therefore avoids many of the governance challenges associated with a shared LATCo. Each authority would have direct control over its own company and future decisions could be taken independently.

The arrangement allows East Kent and Mid Kent to pursue their own service strategies following reorganisation and avoids the need for ongoing joint governance. However, as with the In-House option, significant organisational effort would be required immediately prior to LGR, creating some risk that the delivery model may subsequently need to evolve as the new authorities mature. This would be especially true for DDC, given the existence of Canenco.

LGR Assessment: Amber

APPENDIX 1

A.2.0 Evaluation Model and Evaluation Scheme

Criteria	Question Being Asked	1	2	3	4	5
Criteria 1b. **Financial and Commercial Risk**	**Does the option increase DDC's and FHDC's commercial and financial risk position?**	Yes, the commissioning option represents a significant increase in financial and commercial risk to the authority and/or these risks provide no opportunities to the Authority	Yes, the commissioning option represents a moderate increase in financial and commercial risk to the authority and/or these risks provide minimal opportunities to the Authority	Yes, the commissioning option represents a minor increase in financial and commercial risk to the authority. These risks provide some opportunities to the Authority	Yes, the commissioning option represents no change in financial and commercial risk to the authority, or these risks provide quantifiable opportunities to the Authority	The risk position would be more favourable to the authority than the current approach or these risks provide substantial opportunities to the Authority
Criteria 2a. **People & Management Risk**	**Does the operational entity have the necessary skills and experience to deliver and manage the service?**	No, the operational entity does not have the necessary skills and experience to deliver and/or manage the service and the capacity required to deliver the service is not currently available, **and/or** would be difficult to recruit	No, the operational entity has very minimal skills and significant recruitment and staff training (e.g. Operatives) is required to deliver and manage the service, and recruitment would be potentially difficult	Yes, the operational entity has the necessary skills and experience to deliver and manage the service though more extensive training and recruitment is required to deliver the services	Yes, the operational entity has the basic skills and experience to deliver and manage the service though some limited training and recruitment is required into existing teams	Yes, the operational entity has extensive skills and experience to deliver and manage the service and there are no concerns regarding the capacity to deliver, and no additional recruitment is required
Criteria 2b. **LGR Impact**	**How viable is the option following LGR in 2028?**	The option cannot work following LGR	The option is viable following LGR however poses significant governance risks to the new Authorities which would be challenging to mitigate.	The option is viable following LGR however poses manageable, but significant governance risks to the new Authorities	The option is viable following LGR and poses minor governance risks to the new Authorities	The option is viable following LGR and poses no governance risk to the new Authorities

APPENDIX 1

Criteria	Question Being Asked	1	2	3	4	5
Criteria 2c. **Market Conditions**	**Are the market conditions supporting this option?**	No, the market would not support the option	No, there would be significant concerns	Yes, although there are some substantial risks with approach	Yes, although there are some minor risks	Yes, no concerns
Criteria 2d. **Operational Risk (post-mobilisation and initial three months of the contract)**	**Does the option pose an operational risk of failure to the authority?**	Yes, there is a high probability of high operational risk	Yes, there is a low probability of high operational risk	Yes, there is a high probability of low operational risk	Yes, there is a low probability of low operational risk	No, there are no concerns
Criteria 2e. **Implementation risk (during mobilisation and the initial three months of the contract)**	**Does the option present implementation risk?**	Yes, there is a high probability of high implementation risk	Yes, there is a low probability of high implementation risk	Yes, there is a high probability of low implementation risk	Yes, there is a low probability of low implementation risk	No, there are no concerns
Criteria 2f. **Control and Ability to Change**	**Does the option allow DDC and FHDC to control and develop services?**	No, this commissioning option would be very unlikely to increase the authority's ability to control change	No, this commissioning option would be somewhat unlikely to increase the authority's ability to control change	There would be no change from the current commissioning option	Yes, the commissioning option would be somewhat likely to increase the authority's ability to control change	Yes, the commissioning option would be very likely to increase the authority's ability to control change
Criteria 2. **Social Value**	**Does the option support DDC's and FHDC's social value objectives?**	No, the operational entity does not currently support the authority's social value objective and there is no opportunity for the option to contribute to objectives in the future	No, the operational entity does not currently support the authority's social value objective and there is very limited opportunity for the option to contribute to objectives in the future	Yes, the operational entity supports the authority's social value objectives but there are no planned changes in the future	Yes, the operational entity supports the authority's social value objectives and there are some planned changes in the future	Yes, the operational entity goes above and beyond the authority's social value objectives and has substantial plans for the future

APPENDIX 1

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Appendix 2

Waste, Recycling & Street Cleansing Project 2029

High Level Procurement Plan

Action	Date
STAGE 1 – OPTIONS APPRAISAL	
DDC/FHDC formally request extension terms from Veolia	Sep 2025
Growth Bids for Project Consultant & Legal Consultant • Budget 26/27 • £100K	Oct 2025
Veolia Confirm Extension Proposals • Ideal time to agree extension proposal before committing to consultant procurement.	Nov 2025
Corporate Leadership Team – Project Inception • Agree Consultant Brief • Agree Project Budget	Dec 2025
Procurement of Project Consultant Starts • Appointment by April 2026	Jan 2026

Options Appraisal Exercise – Final report By Oct/Nov 2026
• Service Design
  ○ Household residual and recycling waste collection
  ○ Food recycling
  ○ *Garden waste**
  ○ *Bulky waste collection**
  ○ *Commercial waste option**
  ○ Street cleansing
  ○ *Depot**
  ○ Fleet ownership
  ○ *Performance Monitoring/Service Standards**
  ○ *IT integration, customer access, data management and performance reporting**
• Delivery Options
  ○ DDC/FHDC or others?
  ○ Inhouse/LATCo/Outsourced
  ○ Contract Length
	May 2026

Appendix 2

** these may need to be held back for review at the specification stage.*	
Overview & Scrutiny – Options Appraisal • Consultant Report	Nov 26
Cabinet Decision - Options Appraisal • Service Delivery Model • Project Budget • Stage 2 Procurement Consultant & Legal Support	Dec 2026
STAGE 2 – SERVICE SPECIFICATION (PROCUREMENT)	
Stage 2 Consultant Procurement • Specification Design • Legal Support	Jan/Feb 2027
UK1 pipeline notice • Advanced notice to suppliers UK2 preliminary market engagement notice • Inviting suppliers to early market engagement(s)	March/April 2027
UK3 planned procurement notice • Confirming the dates the tender will be published and any early information about the process	May 2027
UK4 tender notice • Setting out the details of the competitive flexible procedure • Invitation to participate in negotiation	Jul 2027
Dialogue Session 1 (Outline) • Stage 1 Service Delivery Plans & Indicative Prices • Session 1 with each bidder	Sep 2027
Dialogue Session 2 (Detailed) • Stage 2 Service Delivery Plans & Indicative Prices • Session 2 with each bidder	Nov 2027
Dialogue Sessions 3 (Refined) • Stage 3 Service Delivery Plans & Indicative Prices	Feb 2028

Appendix 2

• Final Session with each bidder	
Calls for Final Tender • Best & Final Tenders	Mar 2028
Final Tender Evaluation • Tender Evaluation • Evaluation Report Prepared	April 2028
Member Briefing • Overview & Scrutiny Committee • Wider Member Briefing	May 2028
Cabinet Decision - Award	June 2028
STAGE 3 – SERVICE TRANSITION	
Service Transition Period – Six Months • Draft New Contract • TUPE • Service Plans/Route Plans • Procurement New Vehicle *(due to lead in times unlikely all fleet will be delivered from contract start date)*	July 2028
New Contract Start Date	16 Jan 2029

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APPENDIX 3

Briefing Note: Three-Weekly Residual Waste Modelling

Version 2.0
November 2026

1.0 Introduction

Dover District Council (DDC) and Folkestone and Hythe District Council (FHDC) currently have a joint, integrated waste and street cleansing contract operated by Veolia. This contract is due to expire in January 2029 and, as part of a parallel workstream, DDC and FHDC are exploring commissioning options for either a joint service or separate services. In addition, DDC and FHDC are interested to know how a move to three-weekly residual waste collections would impact waste flows, resources and costs. The beginning of a new contract or arrangement, or shortly after, would be a logical time to look at this change. The current kerbside waste and recycling collection service for both authorities is as follows:

- Two-stream recycling (240L wheeled bin for metals, plastics, containers and glass, and a 55L box for paper and cardboard) collected fortnightly
- Residual waste from a 180L wheeled bin collected fortnightly
- Separate food waste collected weekly from a 23L kerbside caddy
- Chargeable garden waste collected fortnightly (from a 240L wheeled bin in DDC and a 180L wheeled bin in FHDC)

Moving to three-weekly residual waste collections is increasingly common for local authorities, due to the cost, carbon and recycling performance benefits. There are currently 35 UK local authorities whose predominant residual waste collection frequency is three-weekly and 5 local authorities where it is four-weekly. It should be noted that many of these are operating these services with a larger 240L wheeled bin for residual.

2.0 Approach

The approach taken to assess how waste flows, resources and costs would change under three-weekly residual waste for the councils is outlined below.

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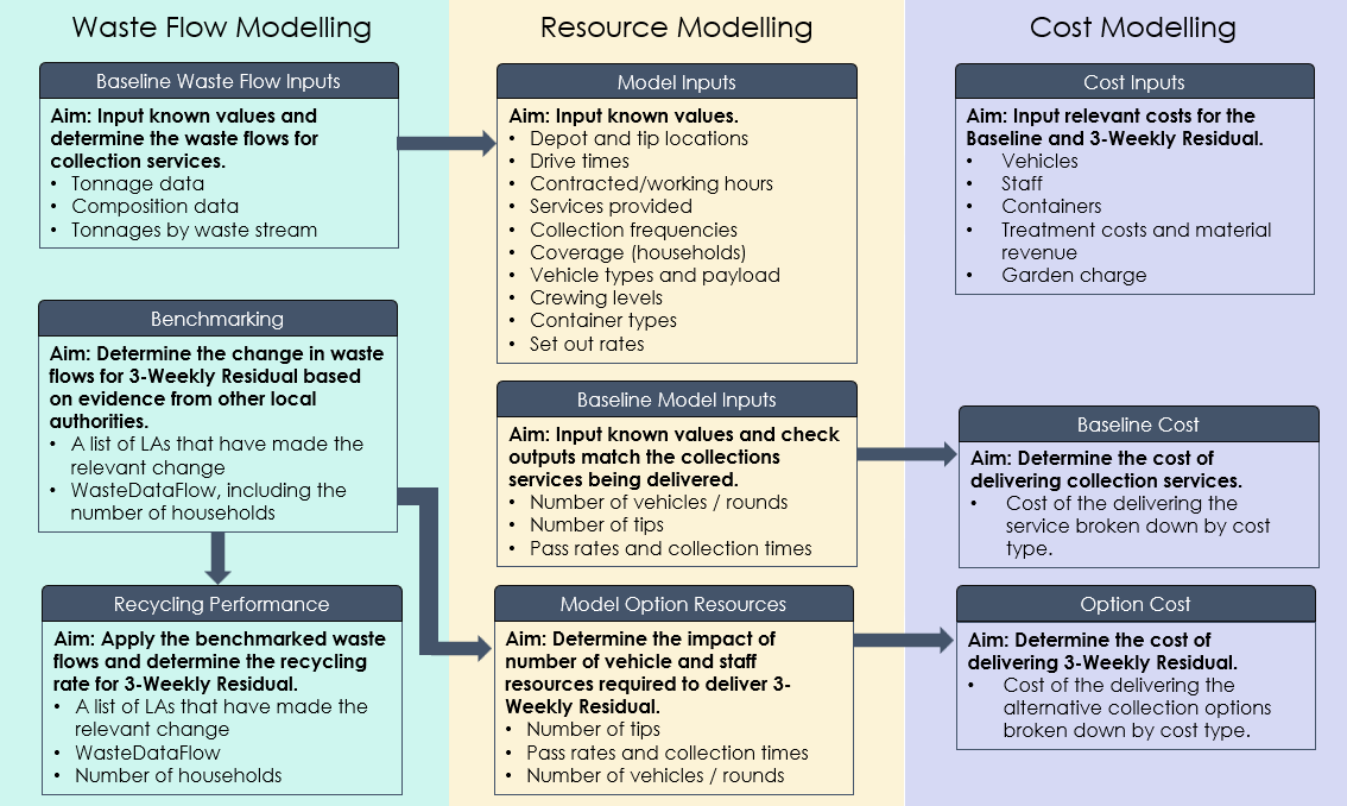
Table 2-1: Approach to modelling the impact of 3-weekly residual waste collections



Two main types of properties/collections are considered within this report:

- Individual/low-rise: individual or low-rise properties that have their own containers (or share with one or two other dwellings in individual households converted to flats). Residents will have specific collections days and present containers for collection at or near the kerbside.
- Communal: mid or high-rise properties (and some HMOs) that share containers. The containers and collections may differ in terms of size, number and frequency of collection, and are not presented for collection.

The switch to three-weekly residual will only impact individual/low-rise properties. The number of households modelled is shown in Table 2-2. Data was extracted from the data request using a combination of service information and round data.

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Table 2-2: Households Modelled

Key and vehicle and crew information			
SA	Standard access, 26t RCV, D+2	RA	Rural access, 26t RCV, D+2
NA	Narrow access, 16t RCV, D+1	UN	Ultra-narrow, 7.5t Caged tipper, D+1
Garden	26t RCV, D+2	Food	7.5t food RCV, D+2
Cntrs	Containers (Metals/plastics/cartons/glass)	FHDC has a 3.5t caged van that goes out 1 day per fortnight for residual and recycling (i.e. 2 days, in total). This was not modelled.	

Resource Group	Dover		Folkestone & Hythe	
	Individual/low-rise	Communal bin	Individual/low-rise	Communal bin
Residual SA	51,359	3,049	39,419	5,444
Residual RA	3,351	-	3,808	-
Residual NA	4,826	223	4,834	-
Residual UN	260	-	464	-
Residual C	-	-	187	-
Fibres/Cntrs SA	53,557	1,525	42,601	2,722
Fibres/Cntrs RA	-	111	3,175	-
Fibres/Cntrs NA	3,912	-	4,803	-
Fibres/Cntrs UN	449	-	401	-
Fibres/Cntrs C	-	-	104	-
Food	55,727	-	48,326	-
Garden	9,955	-	15,339	-

2.1 Benchmarking

Benchmarking was undertaken to determine how waste flows would change under three-weekly residual waste collections. This was done by reviewing the data for similar authorities that have made the same change to estimate the likely performance that would be achieved.

The average change in kerbside yields were determined from WasteDdataFlow returns of the comparator authorities which had moved from fortnightly to three-weekly residual. These were:

- Gwynedd (three -weekly, 240L bin)
- Somerset Waste Partnership (three -weekly, 180L bin)
- Mid Devon (three -weekly, 180L bin)

Table 2-3 presents DDCs and FHDC's predicted yields. The proportional change of the comparator authorities, between the yields prior and after the switch to three-weekly, was applied to DDC and FHDC dry recycling and food waste yields. Inversely, the resulting residual waste stream yield was calculated by subtracting the total increase of the other two streams.

When comparing the forecasted performance to all other Welsh and English authorities, the resulting yields are in line with expected performance.

Table 2-3: Forecasted Change in Yields (kg/hhld/year) for 3-Weekly Residual Collections

Authority		Residual Waste	Contamination	Target Dry Recycling	Food Waste
Dover	Before	382	13	177	64
	After	343	14	197	82
	Change in yield	37		19	18
	Percentage change	-10%		11%	28%
Folkestone & Hythe	Before	350	17	176	58
	After	312	18	196	75
	Change in yield	36		19	16
	Percentage change	-11%		11%	28%

2.2 Recycling Performance

The modelled increase in captured recycling and food waste from introducing three-weekly collections and the impact on the recycling rate is shown in Table 2-4. The increase in the recycling rate is higher in DDC because they have fewer communal bin properties than FHDC (5.8% compared to 10.1%). As a result, more households were affected by the move to less frequent residual waste collections and therefore contributed to the improvement in recycling performance. As FHDC's baseline recycling rate is already higher, the scope for further improvement is more limited.

Table 2-4: Impact of Introducing 3-Weekly Residual Waste Collections (Tonnes)

Waste Stream	Dover		Folkestone & Hythe	
	Fortnightly Residual	3-Weekly Residual	Fortnightly Residual	3-Weekly Residual
Collected tonnes:				
Fibres	3,788	4,191	3,585	3,957
Containers	5,632	6,231	5,221	5,765
Rejects/loss	372	411	328	378
Food waste	3,347	4,289	2,792	3,578
Garden waste	3,330	3,330	5,223	5,223
Residual waste	21,502	19,500	19,148	17,395
Recycling rate:				
Recycling/Composting	16,788	18,751	17,592	19,295
Generated	38,771	38,771	38,327	38,327
Recycling rate	43.3%	46.6%	45.9%	48.5%
Increase:		**3.3%**		**2.6%**

These results are based on the authorities retaining the 180-litre wheeled bin and the effective weekly capacity reducing from 90-litres per week to 60-litres. Using a 240-litre bin would lead to a smaller increase in recycling than shown.

APPENDIX 3

Table 2-5 and Table 2-6 illustrate how the increase in recycling rate would change DDC and FHDC's performance compared with other collection authorities. There are 197 collection authorities in total.

Table 2-5: Impact of Introducing 3-Weekly Residual Waste Collections – DDC

Fortnightly Residual			**Position if 3-Weekly Residual**		
Rank	Local Authorities (Collection)	2024/25 Recycling Rate	Rank	Local Authorities (Collection)	2024/25 Recycling Rate
78	North West Leicestershire District Council	43.5%	56	Cambridge City and South Cambs Councils	47.7%
79	West Lancashire Borough Council	43.5%	57	Tameside MBC	47.5%
80	Harborough District Council	43.4%	58	Salford City Council MBC	47.3%
81	Dover District Council	43.3%	59	Dover District Council	46.6%
82	Lichfield District Council	43.3%	60	Runnymede Borough Council	46.6%
83	Chichester District Council	43.2%	61	Braintree District Council	46.2%
84	East Hertfordshire District Council	43.2%	62	Huntingdonshire District Council	46.0%

Table 2-6: Impact of Introducing 3-Weekly Residual Waste Collections – FHDC

Fortnightly Residual			**Position if 3-Weekly Residual**		
Rank	Local Authorities (Collection)	2024/25 Recycling Rate	Rank	Local Authorities (Collection)	2024/25 Recycling Rate
60	Braintree District Council	46.2%	44	South Hams District Council	49.3%
61	Huntingdonshire District Council	46.0%	45	Ealing LB	49.2%
62	Rother District Council	46.0%	46	Ashford Borough Council	48.8%
63	Folkestone and Hythe District Council	45.9%	47	Folkestone and Hythe District Council	48.5%
64	Rugby Borough Council	45.9%	48	Cheltenham Borough Council	48.4%
65	Rushcliffe Borough Council	45.5%	49	Tonbridge and Malling Borough Council	48.4%
66	Newcastle-under-Lyme Borough Council	45.3%	50	Watford Borough Council	48.4%

2.3 Resource and Cost Modelling

The modelled change in resources is shown in Table 2-7. The changes were determined based on the impact seen in other authorities that have made similar changes, taking into account the number of tips and estimated number of daily collections, which considers the set-out rate.

Overall, there was minimal change in the total resources. By waste stream, residual waste resources reduced because collection frequency was changed from 26 to 17/18 collections per year. Recycling and food resources increased, which was associated with collecting more tonnages and higher set-out rates. Communal bin collection and garden waste resources were not assumed to be affected.

Table 2-7: Predicted Change in Resources

Key and vehicle and crew information			
SA	Standard access, 26t RCV, D+2	RA	Rural access, 26t RCV, D+2
NA	Narrow access, 16t RCV, D+1	UN	Ultra-narrow, 7.5t Caged tipper, D+1
Garden	26t RCV, D+2	Food	7.5t food RCV, D+2
Cntrs	Containers (Metals/plastics/cartons/glass)	FHDC has a 3.5t caged van that goes out 1 day per fortnight for residual and recycling (i.e. 2 days, in total). This was not modelled.	

Resource Group	**Dover**		**Folkestone & Hythe**	
	Fortnightly Residual	3-Weekly Residual	Fortnightly Residual	3-Weekly Residual
Residual SA	4.2	3.4	4.0	3.4
Residual RA	1.0	0.8	0.5	0.4
Residual NA	0.5	0.4	1.0	0.8
Residual UN	0.3	0.3	0.4	0.4
Fibres/Cntrs SA	5.5	5.9	4.0	4.3
Fibres/Cntrs RA	-	-	0.5	0.5
Fibres/Cntrs NA	1.0	1.1	1.0	1.1
Fibres/Cntrs UN	0.3	0.3	0.4	0.4
Food	4.2	4.8	4.0	4.6
Garden	2.0	2.0	2.0	2.0
Total	19.0	18.9	17.8	17.8
Notes	Whilst the model reflects expected changes in collection demand, it does not capture all operational constraints, particularly the requirement to maintain same-day collections. The resource requirements should therefore be treated as indicative only and validated through detailed service design and route optimisation.			

APPENDIX 3

The resources for three-weekly residual shown in Table 2-7 was based on using the existing fleet configuration. However, there are different ways the service could be delivered operationally. Table 2-8 shows two alternative approaches using open-back (rather than split-back) RCVs for recycling:

- In the first alternative approach, fibres and containers are collected on alternate fortnights.
- In the second alternative, fibres, containers and residual waste are collected once every three weeks.

One advantage of using open-back RCVs for recycling is greater fleet standardisation, which could reduce the level of spare vehicle provision required. In addition, collection efficiency may improve due to the ability to utilise the full vehicle payload, whereas split-back RCVs are constrained by the capacity of the first compartment to fill. Both factors have the potential to reduce operating costs.

However, the number of annual collections made from each household increases from 95/96 to 104 in the second alternative. This is positive in the context of service provision but may mean this approach is less cost effective than when recycling is collected on alternate fortnights.

Table 2-8: System, Frequency and Vehicles Modelled

Material:	Food waste	Fibres	Containers	Residual
The system presented in Table 2-7: '1-2-3 collection model' using split-back RCVs for recycling				
Frequency:	Weekly (1)	Fortnightly (2) (collected together)		3-Weekly
Vehicle:	Food waste RCV	Split-back RCV		RCV
Annual collections/hh:	52	26		17/18
Alternative 1: '1-2-3 collection model' using open-back RCVs				
Frequency:	Weekly (1)	Fortnightly (2) (on alternate fortnights)		3-Weekly (3)
Vehicle:	Food waste RCV	RCV	RCV	RCV
Annual collections/hh:	52	13	13	17/18
Alternative 2: Alternating 3-weekly collections of recycling and residual using open-back RCVs				
Frequency:	Weekly	3-Weekly	3-Weekly	3-Weekly
Vehicle:	Food waste RCV	RCV	RCV	RCV
Annual collections/hh:	52	17/18	17/18	17/18

The impact on the Baseline Performance Payment ('BPP') was estimated using Schedule 2 of the Inter Authority Agreement ('IAA') between DDC and Kent County Council (KCC). WasteDataFlow ('WDF') information was used to complete the table within the mechanism. Without access to KCC's data, we assumed that the WDA adjustment was the same in 2024/25 as in 2019/20. We also assumed that the input to incineration was the same as the total collected residual (regular collection) and the MRF process loss.

The FHDC-KCC IAA baseline position was estimated. This was done by adjusting DDC's 2019/20 baseline based on dwellings reported in WDF. 2024/25 data was populated using the same approach for FHDC as for DDC. The estimated BPP for 2024/25 with fortnightly and three-weekly residual waste is shown in Table 2-9. The additional payment was largely associated with the residual costs reducing to a much larger degree than corresponding cost increases for food waste. Changes to recycling were minimal.

Table 2-9: Estimated BPP

Waste Stream	Dover	Folkestone & Hythe
BPP 2024/25: fortnightly residual	£339,662	£432,815

BPP 2024/25: 3-weekly residual	£415,286	£528,081
Estimated cost benefit	£75,624	£95,266

Modelling showed that introducing three-weekly collections would have a downward impact on collection costs (Table 2-10), although savings in FHDC were relatively limited. Both authorities are 80% diesel, 20% HVO. HVO is more expensive and means fuel costs have a greater influence on the results that would be seen for diesel fleets.

Additionally, there is a substantial capital outlay to purchase 240L bins for all households, approx. £2.2m[1]. This would be a large capital outlay for small change in residual waste capacity.

Table 2-10: Marginal Cost Impact of 3-Weekly Residual (-ve values show savings)

Waste Stream	Dover	Folkestone & Hythe
Vehicles	-£12,857	-£7,687
Fuel	-£119,496	£2,786
Staff	-£12,480	£2,597
Subtotal	-£144,833	-£2,304
BPP	-£75,624	-£95,266
Net Total	**-£223,468**	**-£71,369**

[1] Based on approx..111,500 kerbside households across the two authorities and a £20 cost per 240L wheeled bin.

In DDC, the saving is because the reduction in residual waste is slightly more than the increase for recycling and food waste (Table 2-11). If DDC were to purchase 240-litre wheeled bin for residual waste, the capital expenditure at £20 per bin would be ≈£1.2m. If this were to be annualised over 10years, it would more than halve the estimated savings.

Table 2-11: DDC Marginal Cost Impact of 3-Weekly Residual (-ve values show savings)

Waste Stream	Vehicle	Vehicles	Fuel	Staff	Total
Residual	26t RCV	-£46,921	-£136,744	-£124,720	-£308,385
	16t RCV	-£3,150	-£8,876	-£9,812	-£21,838
	7.5t Cage	-£443	-£2,650	-£2,453	-£5,546
	Subtotal	**-£50,515**	**-£148,269**	**-£136,985**	**-£335,769**
Recycling	26t 60/40 RCV	£21,524	£18,345	£47,512	£87,382
	16t 60/40 RCV	£1,210	£1,235	£4,088	£6,533
	7.5t Cage	£296	£56	£1,635	£1,987
	Subtotal	**£23,030**	**£19,636**	**£53,236**	**£95,901**
Garden waste	**26t RCV**	**£0**	**£0**	**£0**	**£0**
Food waste	**7.5t RCV**	**£14,629**	**£9,138**	**£71,268**	**£95,035**
Total	-	-£12,857	-£119,496	-£12,480	-£144,833

In FHDC, the saving is because the reduction in residual waste is slightly more than the increase for recycling and food waste (Table 2-12). The saving is smaller than DDC for two reasons:

- FHDC has fewer properties switching to three-weekly residual waste, so the impact is smaller.
- FHDC has more resource groups. Where DDC operate standard, rural, narrow and ultra-narrow collections, FHDC also operates a separate communal round (as well as the 3.5t caged tipper round, which was not modelled).

If FHDC were to purchase 240-litre wheeled bin for residual waste, the capital expenditure at £20 per bin would be ≈£97k. If this were to be annualised over 10years, it would result in a cost rather than a saving.

Table 2-12: FHDC Marginal Cost Impact of 3-Weekly Residual (-ve values show savings)

Waste Stream	Vehicle	Vehicles	Fuel	Staff	Total
Residual	26t RCV	-£34,544	-£1,974	-£85,415	-£121,933
	16t RCV	-£6,433	-£492	-£20,359	-£27,284
	7.5t Cage	-£824	-£131	-£3,036	-£3,990
	Subtotal	**-£41,801**	**-£2,597**	**-£108,810**	**-£153,208**
Recycling	26t 60/40 RCV	£17,176	£1,961	£37,962	£57,099
	16t 60/40 RCV	£1,272	£255	£4,072	£5,599
	7.5t Cage	£345	£27	£1,518	£1,890
	Subtotal	**£18,793**	**£2,243**	**£43,552**	**£64,588**
Garden waste	**26t RCV**	**£0**	**£0**	**£0**	**£0**
Food waste	**7.5t RCV**	**£15,321**	**£3,140**	**£67,855**	**£86,316**
Total	-	-£7,687	£2,786	£2,597	-£2,304

2.4 Qualitative Assessment and Summary

In addition to the quantitative modelling undertaken there are other, more qualitative, risks to consider in moving to three-weekly residual waste collections. These are explored here and presented alongside the quantitative modelling, where each is given a RAG rating.

Table 2-13: Qualitative Assessment and Summary

Criteria	DDC	FHDC
Recycling Performance (%)	46.6 (+3.3)	48.5 (+2.6)
Marginal Cost (-ve = saving)	-£144,833	-£2,304
Estimated BPP (-ve = saving)	-£75,624	-£95,266
Transition Cost	£236,989	£232,715
Transition Risk		
Operational Risk		
Impact on Residents		
Impact on Current Contract		
Impact on Disposal Contracts		

Transition costs

A move to three-weekly would require a programme of planning, communications with residents and mobilisation of the new service. Transition costs could include, but are not limited to:

- Admin/project management time to plan the programme of change
- Communications and engagement:
    - Service change communications
    - Website updates and customer contact centre capacity
- Route re-design and operational planning
    - Route optimisation software
    - Crew training
    - Service reconfiguration
    - ICT updates
- Temporary staffing and customer support
    - Service changes often generate increased enquiries, including requests for additional bins, and may require temporary extra staff

It is assumed that any move to three-weekly residual collections would be implemented following expiry of the current contract in 2029. (i.e. no contract negotiations would be required). If the councils wish to make this change sooner than contract negotiation costs would need to be built in, as would potentially sharing savings with the contractor. The transition costs involved in moving from a fortnightly to a three-weekly residual waste service are significantly less than service changes that require purchase of containers and/or vehicles.

APPENDIX 3

Transition costs are taken from prior Eunomia project experience and can vary substantially between projects. For example, costs for changes to routing varied between £25,000 and £50,000 for similar service changes, based on the level of support provided. The level of temporary staff support also ranged between 0.26 FTE and 3.37 FTE for the year of service change, whilst communication costs varied from £0.38 per household to £2.00 per household in the examples analysed. These costs are largely dependent on the complexity of the change introduced, as well as the level of concern of the LA in question about service transition risks and customer satisfaction. The upper end of costs for DCC and FHCC could reach almost £300,000 each, whilst using lower end costs for all requirements would see transition costs reduced to around £150,000 each.

APPENDIX 3

Table 2-14: Transition Costs

	Basis	Value	DDC		FHDC	
			Total	*Notes*	*Total*	*Notes*
Admin/project management time	Total	£45,000	£45,000		£45,000	
Communications and engagement:						
Service change communications	per hh	1.25	£64,199		£60,407	
Website updates and customer contact centre capacity	FTEs	2.00	£59,068	Employee cost of £29,534	£59,068	Employee cost of £29,534
Route re-design and operational planning						
Route optimisation software	Total	£35,000	£35,000		£35,000	
Crew training						
Driver	days per employee	1.0	£2,698	19 drivers	£2,556	18 drivers
Loader	days per employee	1.0	£4,089	36 loaders	£3,749	33 loaders
Supervisor	days per employee	2.0	£692	2 supervisors	£692	2 supervisors
ICT updates	Total	£2,800	£2,800		£2,800	
Temporary staffing and customer support						
Temporary additional staff	FTEs	1.15	£23,443	Employee cost of £29,534	£23,443	Employee cost of £29,534
Total Transition Cost			**£236,989**		**£232,715**	

Transition Risk

Transition risks in moving to three-weekly residual could include the following, however there are effective mitigations suggested.

Risk	Description	Mitigation
Communications failure	Residents do not understand new collection arrangements, start dates, or exemption policies.	Multi-channel communications, phased engagement, clear service guides.
High volume of customer enquiries	Significant increase in contact centre demand immediately before and after go-live.	Temporary staffing, self-service portal, dedicated helpline.
Route mobilisation issues	New rounds and schedules may initially result in missed collections and operational disruption.	Route modelling, driver familiarisation, contingency resources.

Operational Risk

Operational risks in moving to three-weekly residual could include the following, however there are effective mitigations suggested.

Risk	Description	Mitigation
Residual waste overflow	Some households consistently generate more waste than available capacity allows.	Additional capacity policy; larger-bin exemptions.
Increased contamination	Residents may place residual waste into recycling streams to avoid bin capacity pressures.	Monitoring, communications, targeted enforcement.
Fly-tipping pressure / increased cleansing need	Potential increase in illegal disposal if households perceive insufficient capacity. Additional littering, side waste or enforcement activity generates new costs.	Enforcement, monitoring hotspots, disposal communications.
Service performance deterioration	Missed collections or operational inefficiencies persist beyond mobilisation.	Performance management to identify and resolve issues

APPENDIX 3

Impact on Residents

Any change to front-line services, particularly waste and recycling collections, has the potential to generate concern among residents. A reduction in frequency of residual waste can be particularly controversial. There are several narratives and mitigations that can help, these are shown below linked to the residents' concern. For all of these the number of authorities who have successfully moved to three-weekly residual waste collections provides another reassurance for residents, however, it should also be noted that many of these are three -weekly on a 240L bin and should therefore focus on those doing 180L or smaller three-weekly (Flintshire, Powys and Newport[2]).

Resident Concern	Messaging / Mitigation
Reduction in service	• Cost savings being used to support other essential council services • Environmental benefits • Continuing to deliver a weekly food waste service and fortnightly recycling service
Odour concerns	• Weekly food waste service remains • Could consider separate Absorbent Hygiene Product (AHP) collections, this would reduce the cost savings associated the move to 3-weekly residual
Overflowing bins and side-waste	• Recycling and food waste can make up to 70% of residual waste bins[3] if recycling correctly 3-weekly is manageable • Clear communications on what can be placed in each bin
Impacts on larger families / families with children	• Additional bin policy • Could consider separate Absorbent Hygiene Product (AHP) collections, this would reduce the cost savings associated the move to 3-weekly residual
Impacts on vulnerable residents	• Assisted collections and medical waste arrangements remain
Behavioural non-compliance (contamination, side waste etc)	• Targeted communications and enforcement resources

[2] Newport uses predominantly 120L bins
[3] General rubbish collection - Dover District Council

Impact on Current Contract

With the current contract due to expire in January 2029, it is assumed likely that the councils would wait to enact the service change to three-weekly residual waste as part of:

- Extending the contract for a bridging service by publishing a VEAT notice
- A new outsourced contract
- Bringing the service in-house
- Establishing a LATCo

Impact on Disposal Contracts

KCC as the disposal authority currently relies on the Allington Waste to Energy Facility operated by Kent Enviropower Limited for the treatment of much of Kent's residual municipal waste. The contract runs until July 2030, after which replacement treatment arrangements will be required. If considering a move to three-weekly, the councils should engage with KCC to make clear the anticipated change of residual waste tonnage as a result, so this can be considered when specifying the residual waste capacity required. However, whilst LGR is currently paused it seems inevitable that the current two-tier system for waste management will not stay long-term and it will be a newly formed unitary authority that handles both collection and disposal of waste.

2.5 Summary

A move to three-weekly residual waste collections for the authorities would result in recycling performance benefits. The operational savings may be negligible to fairly small. Savings were higher for DDC, which has fewer resource groups and more properties changing to three-weekly residual as they have fewer communal collections.

Under the current two-tier system much of the cost saving associated with this change is seen by KCC. However, if the IAA continues, which means treatment savings are shared, we estimate DDC could receive an additional £75k. The treatment saving share for FHDC was estimated at £95k, although because the baseline had to be assumed, this estimate is less certain.

If the authorities were to consider introducing 240-litre residual waste bins alongside moving to three-weekly to make the change more palatable to residents, there would be a substantial capital expenditure of approximately £2.2m[4]. As the residual restriction would be less than modelled, the increase in recycling rate is likely to reduce from the modelled result presented here.

While not considered in this report, collections could be delivered in other ways using open-back RCVs for residual and recycling. The main options for this are:

- Collecting fibres and containers on alternate fortnights.
- Collecting fibres, containers and residual waste on a rotating three-weekly cycle.

This could lead to costs savings as using open-back RCVs for recycling means greater fleet standardisation, which could reduce spare provision, and improving tip efficiency. Although, as the number of annual collections per household increases when fibres, containers and residual waste are all collected three-weekly, this is likely to have an upward impact on costs. These options would need to be tested with more detailed modelling to understand the configuration that offers best value.

Whilst there are benefits to a move to three-weekly residual waste collections it also carries risks around successful mobilisation and potential public and political objections. Mitigations have been suggested for successful mobilisation and operation and there are many case studies to draw on of three-weekly

[4] Based on approx..111,500 kerbside households across the two authorities and a £20 cost per 240-litre wheeled bin.

residual waste collections being implemented effectively (albeit with more of these using a 240L bin). Authorities that have implemented three-weekly residual waste collections typically see at least some level of public and political opposition during the planning and mobilisation stages, but once the service has been implemented and established find that resident satisfaction returns. The councils also need to consider the timing of a move to three-weekly residual, with uncertainties around LGR and, whilst paused, the most recent LGR July 2026 Decision Release separating DDC and FHDC.

APPENDIX 4

Briefing Note: Fuel Options Review

Version 2.0 FINAL
October 2026

1.0 Introduction

Dover District Council (DDC) and Folkestone and Hythe District Council (FHDC) currently have a joint, integrated waste and street cleansing contract operated by Veolia. This contract is due to expire in January 2029 and DDC and FHDC are considering options for introducing a lower-emission or zero-emission fleet for the future service delivery option.

2.0 Alternative Fuels

The alternative fuels considered in this report are Hydrotreated Vegetable Oil (HVO) and Electricity. Both are at technological maturity and can be deployed now. A short qualitative assessment was made of each option considering the following factors:

- Performance
- Carbon neutrality
- Council's objective for Net Zero
- Other environmental impacts
- Fleet integration
- Infrastructure requirements
- Capital costs
- Operational costs
- Staff skills
- Deployment risk.

These factors were analysed against a conventional diesel-powered fleet baseline.

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Table 1: Alternative Fuel RAG Summary Rated Against Diesel

Area	HVO	Electric
Performance	Performance is equivalent to diesel.	Performance is equivalent to diesel. Technology has evolved and continues to do so meaning issues such as vehicle range pose little to no risk to the Council.
Substantial Carbon Reduction	HVO can reduce lifecycle fossil carbon emissions by up to 99% compared with conventional diesel. However, like diesel vehicles, HVO-powered vehicles continue to generate tailpipe emissions during operation.	Emissions depend on electricity source, but lower than fossil diesel and (depending on scope and grid mix) HVO.
Aim for ZE fleet	NOx and CO remain with this fuel, although emissions are substantially reduced when compared to diesel.	No carbon emissions from vehicle 'tailpipe'. Although the sustainable sourcing of electricity will need to be considered.
Other Environmental Impacts	HVO requires crops to be grown to be made into oil. Therefore, the sustainability of land used for this purpose should be considered.	Electric vehicles require batteries and for these to be changed during the vehicle lifetime. The production and disposal of batteries has an environmental impact.
Fleet Integration	Fleet could be converted, and any new fleet would not require any modifications compared to baseline.	A replacement fleet would be required.
Infrastructure Requirements	No changes to the current infrastructure would be required assuming fuel tank could be switched to HVO.	Full depot electrification would be required to support charging infrastructure. Cost and feasibility of this is unknown but would be substantial and take a long period of time.
Capital Costs	Equivalent cost to baseline diesel fleet.	Significantly higher capital costs for vehicles (for RCV roughly double).
Operational Costs	Higher fuel cost associated with HVO when compared to diesel. Maintenance costs in line with diesel fleet.	Lower fuel costs than HVO or diesel. However, maintenance costs over the vehicle lifetime and the impact of battery power etc is unknown as existing fleets in other Councils are not yet mature enough to benchmark costs.
Fuel Availability	Fuel is available but reliant on organic feedstock. It is unclear how much market demand will impact supply in the UK. Although this can be somewhat mitigated by large operators bulk buying power.	Fuel readily available.
Staff Skills	Skills required to operate and maintain vehicles similar to that which would be held in the current workforce.	Some staff retraining would be needed in terms of vehicle operation and maintenance.
Summary of Key Risks	• Fuel availability. • Fuel costs. • NOx and CO remain with this fuel.	• Vehicle cost. • Grid availability and connection cost. • Lead time for new vehicles. • Lack of data on long term maintenance costs.

Table 1 summarises the ratings of the alternative fuel options, compared to a diesel baseline.
If a fuel option has a **green** box for a factor, then the fuel choice has been assessed as presenting no issues for deployment by DDC and FHDC.
Where the box is **amber,** then there may be issues to consider – these are summarised in Table 1.
Where there are **red** boxes, these are significant issues that the DDC and FHDC should consider in depth before proceeding with the purchase of a fleet powered by the fuel in question.

2.1 Financial Modelling

The current fleet of 82 vehicles operates on a blend of approximately 20% HVO and 80% diesel, together with a very small number of electric vehicles. This modelling exercise is focused on assessing potential fleet configurations for the future service delivery model once the current contract expires, rather than replicating the costs of the current fleet. The scenarios modelled therefore comprise:

- A 100% diesel fleet;
- A 100% HVO fleet;
- A 100% electric fleet; and
- A hybrid fleet comprising electric vehicles up to and including 7.5 tonnes, with larger vehicles operating on HVO ("Small Electric").

Key modelling assumptions and inputs are provided in Appendix A.1.0 for reference.

Costs have been modelled over an eight-year period, to reflect the likely length of a new contract shall the councils decide to re-procure. Results are available in Figure 1.

Key findings are:

- HVO vehicles are only marginally more expensive than Diesel. This is because no infrastructure changes are required. The only major cost difference between these options results from the higher cost of HVO fuel compared to diesel, which tracks at approximately 20% more expensive. For a full fleet transition to an alternative fuel, HVO represents the lowest-cost alternative fuel option.

- Electric vehicles have the highest modelled capital costs, with the Fully Electric option requiring almost twice the capital investment of a diesel fleet. However, they have the smallest modelled operational costs, due to their lower modelled fuel and maintenance costs.

- The Small Electric option is only slightly more expensive than the HVO option overall. This is because whilst the Small Electric capital costs are more expensive than the HVO option these are compensated by lower maintenance and fuel costs. In this option, only DDC and FHDC's cage tippers, small mechanical sweepers, 7.5t RCVs and vans are electric. It should be noted that costs to upgrade the depot with charging infrastructure so that it can accommodate for electric vehicles have not been modelled.

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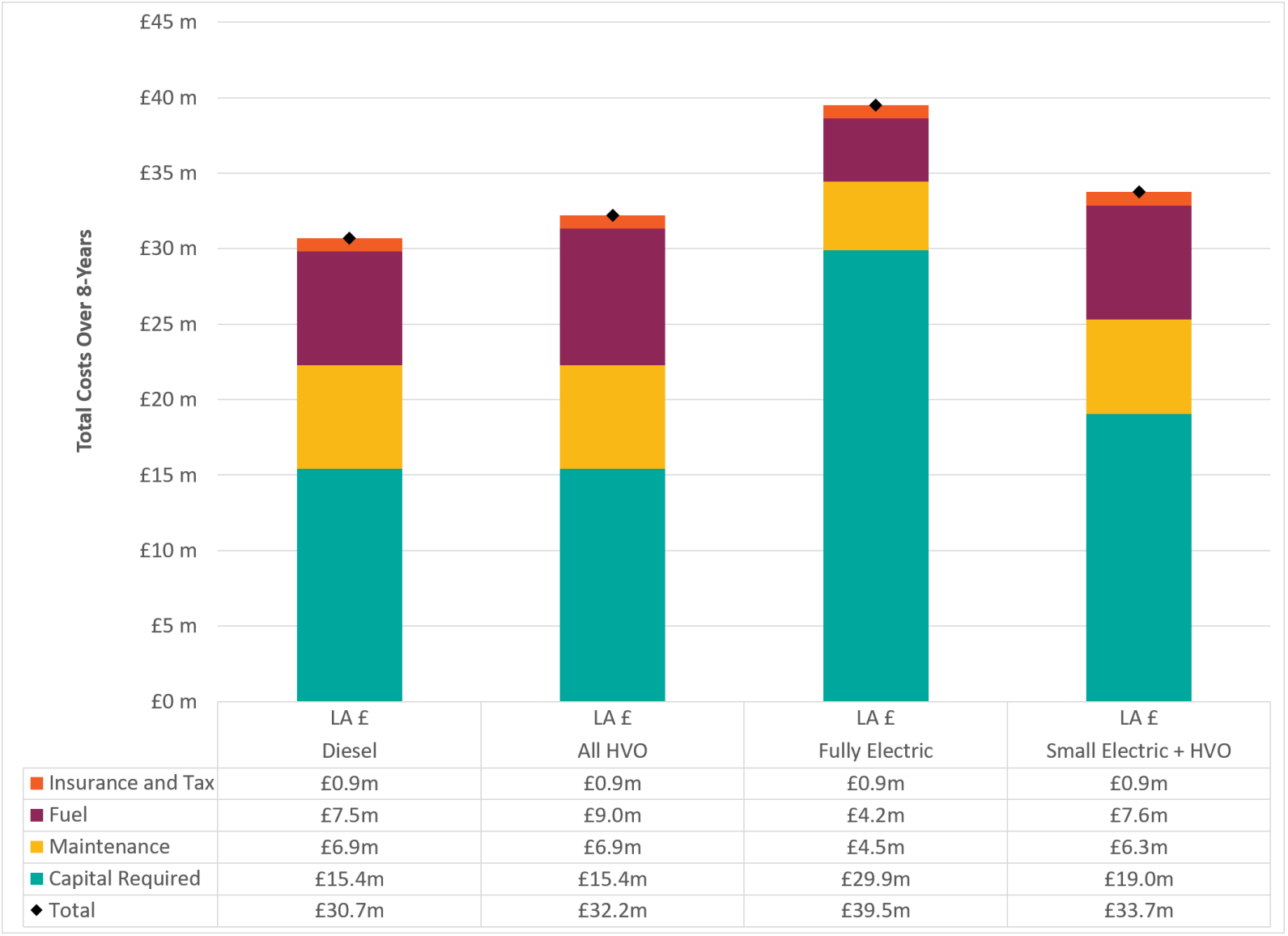
Figure 1 - Total Capital and Operational Costs



	LA £ Diesel	LA £ All HVO	LA £ Fully Electric	LA £ Small Electric + HVO
Insurance and Tax	£0.9m	£0.9m	£0.9m	£0.9m
Fuel	£7.5m	£9.0m	£4.2m	£7.6m
Maintenance	£6.9m	£6.9m	£4.5m	£6.3m
Capital Required	£15.4m	£15.4m	£29.9m	£19.0m
Total	£30.7m	£32.2m	£39.5m	£33.7m

3.0 Carbon Modelling

The model also presented carbon emission results for the options. The results are displayed in Figure 2 and Figure 3. Modelling has been undertaken using the latest UK government carbon factors and considers Scope 1 and Scope 2 emissions only (excluding Scope 3 emissions).

The analysis in Figure 2 and Figure 3 shows that:

- The HVO option would reduce lifecycle fossil carbon emissions by up to 99% compared with diesel.
    - Whilst HVO vehicles continue to produce tailpipe emissions, the carbon released is largely derived from renewable feedstocks rather than fossil sources.
- A Fully Electric Fleet delivers a 100% reduction in fossil carbon emissions if considering Scope 1 emissions only, and an 85% reduction in fossil carbon emissions if considering Scope 2 emissions.
    - Electric vehicles' emissions are dependent on the electricity grid mix. Here, it has been assumed that the mix is the same as the UK grid as a whole, which includes some fossil fuels.
    - Were DDC and FHDC to procure a low carbon electricity supply, the Scope 2 emissions from a fully electric fleet could reduce further.
- A partially electrified fleet, for only small vehicles with HVO larger vehicles, would save 96% of the emissions of a diesel fleet if considering Scope 1 and Scope 2 emissions.

Figure 2: Carbon Emissions for Each Option (Scope 1 Only)

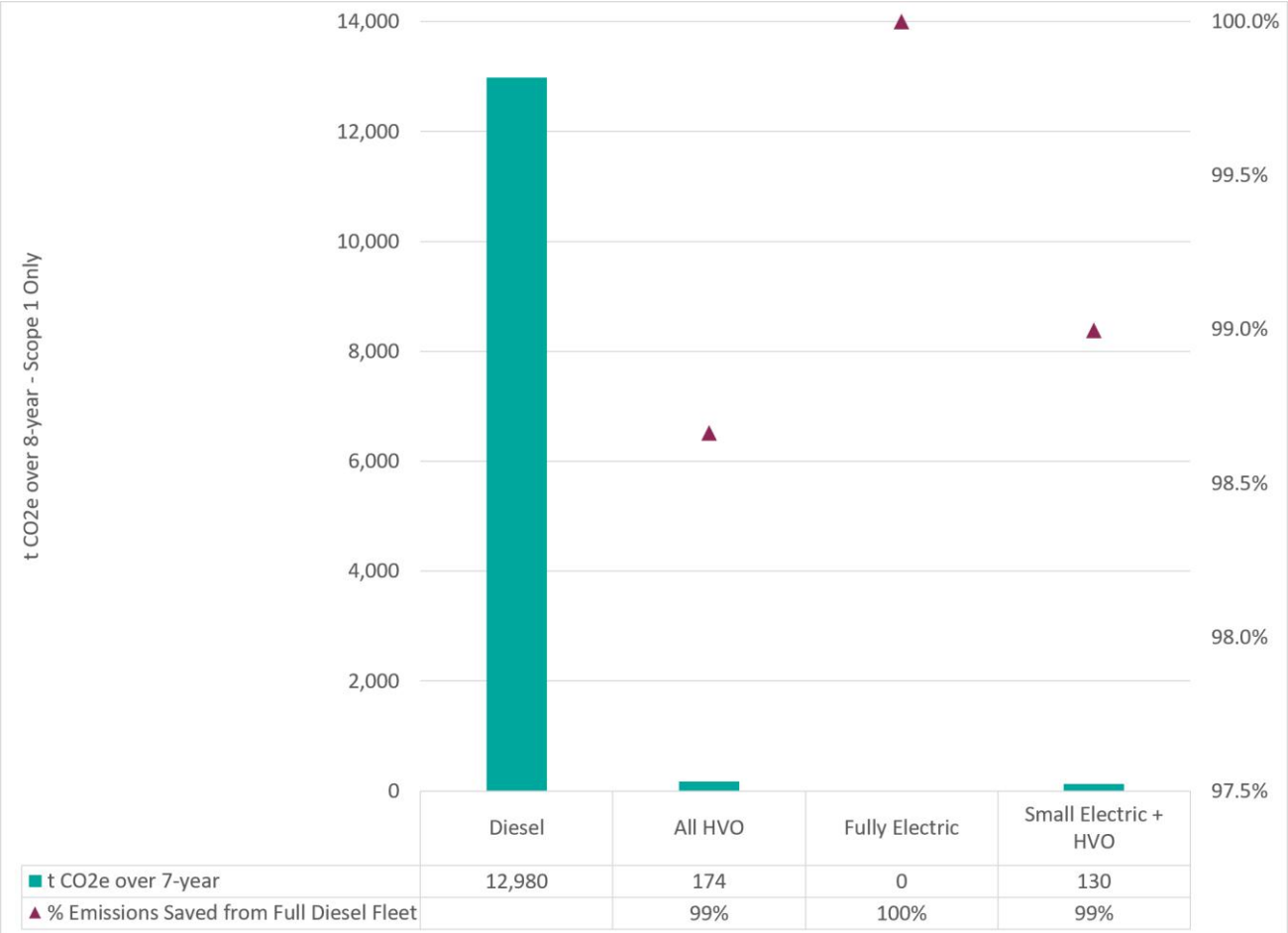


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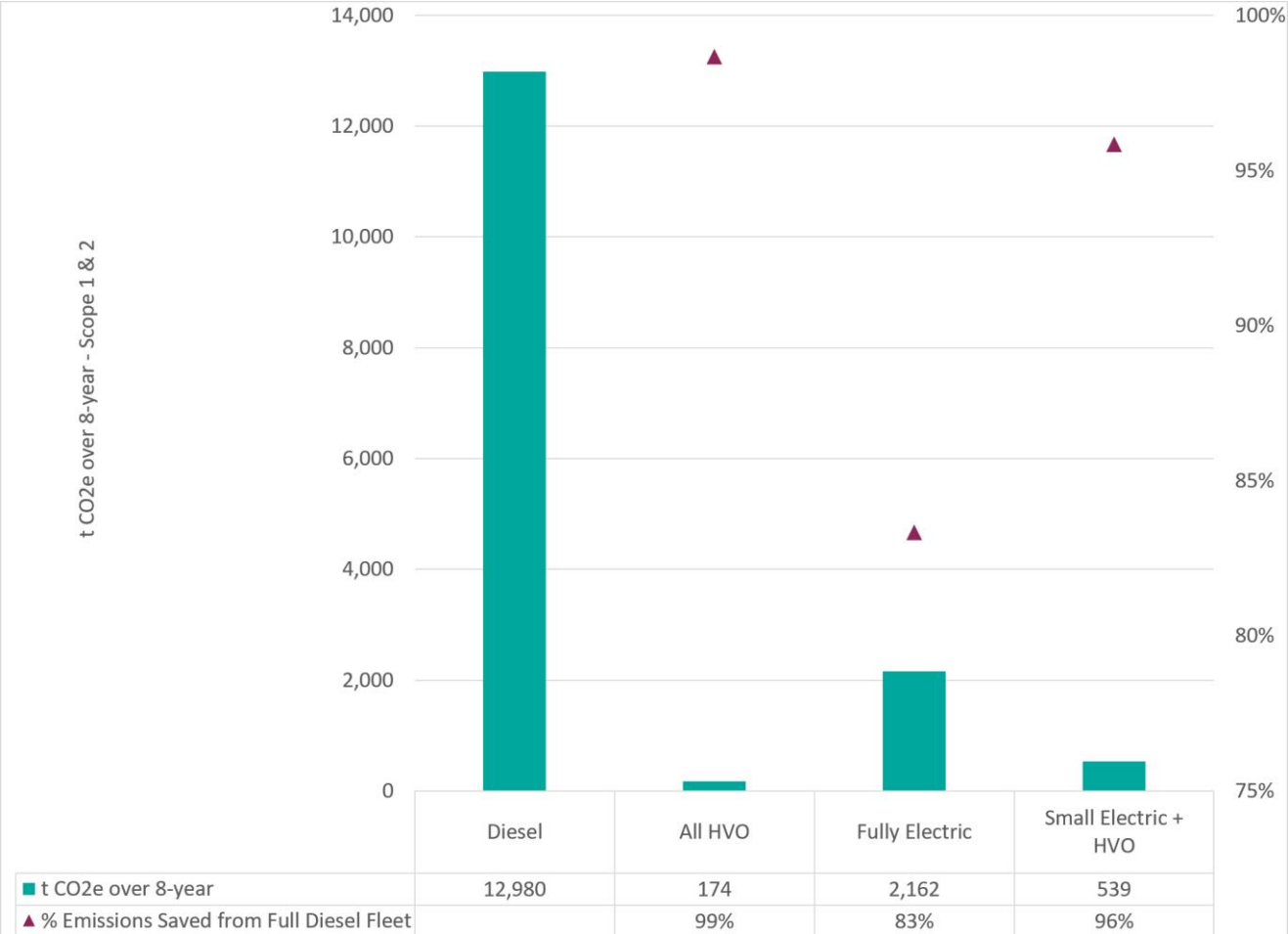
Figure 3 – Carbon Emissions for Each Option (Scope 1 and 2)



4.0 Conclusion

A summary of key findings from this briefing note are summarised below.

Diesel

- The cheapest fuel option.
- Represents the lowest operational risk.
- By far the most polluting option and is not aligned with the council's environmental goals.

HVO

- Second cheapest fuel option.
- Would reduce air pollution.
- Would reduce fossil carbon emissions by up to 99% compared with diesel.
- Has reasonable availability, though this remains the biggest risk.
- Could be introduced while allowing use of conventional diesel-engine vehicles.
- Should not lead to significant operational changes or reduced reliability.

Electric

- A Fully Electric Fleet is the most expensive option whilst the Small Electric Fleet is the second cheapest option.
- A compelling decarbonisation option, though dependent on the electricity grid mix.
- Eliminates nitrous oxide and carbon monoxide emissions, and reduces particulates.
- Electrifying only smaller vehicles, with larger vehicles using HVO, would cost 7% more than a fully HVO fleet and reduce emissions by 96%.
- Depot upgrades required (not costed for), with electricity grid availability a key risk. If grid connections are not possible in the timescales, then a transition could be difficult.
- Longer lead times compared to conventional vehicles.

Appendix

A.1.0 Key Assumptions

A.1.1 Vehicle Assumptions

Table A - 1: Vehicle Numbers and Capital Costs

Capital Cost	Units	Diesel	HVO	Electric
Source	Council data	2026 prices	2026 prices	2026 prices
Cage Tipper 3.5t	9	£45,000	£45,000	£60,000
Cage tipper 7.5t	9	£70,000	£70,000	£140,000
Crew Van under 3.5t	8	£25,000	£25,000	£30,000
RCV / Food Waste 7.5t	14	£120,000	£120,000	£250,000
Mechanical Sweeper 12t	5	£165,000	£165,000	£451,598
Mechanical Sweeper 3.5t	1	£88,000	£88,000	£210,000
RCV Bar Lift 26t	2	£242,000	£242,000	£445,000
RCV 16t split back	3	£190,000	£190,000	£400,000
RCV Split Lift 26t	14	£243,000	£243,000	£450,000
Twin Pack RCV 26t	12	£279,154	£279,154	£490,455
Van 3.5 to 4.5t	2	£50,000	£50,000	£70,000
RCV 16T	2	£170,000	£170,000	£400,000
Mechanical Sweeper 15t	1	£180,000	£180,000	£490,000

Table A - 2: Vehicle Maintenance Costs

Fuel	Annual Maintenance Cost as percentage of Diesel Capital Value	Source
Diesel and HVO	8.0%	Based on maintenance costs provided by Veolia
Electric	5.3%	Eunomia review of eRCV maintenance information, 2023

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Table A - 3: Fuel Costs

Fuel	Cost	Source
Diesel	£1.35/litre	Based on fuel costs provided by Veolia for a 20%/80% HVO/Diesel blend.
HVO	£1.62/litre	
Electric	£0.30/KWh	Estimated 2026 cost for rapid charge point

A.1.2 Carbon Assumptions

Table A - 4: Carbon Emissions of Fuels

Fuel	Unit	CO_2e emitted per unit (kg)	Source
100% Diesel	Litre	2.57082	Department for Energy Security and Net Zero[1], 2025 values
Biofuel-blended Diesel	Litre	2.66155	
HVO	Litre	0.03558	
Electricity	kWh	0.17700	

[1] Department for Energy Security and Net Zero (2025). *Greenhouse gas reporting: conversion factors 2025.* Available here: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025

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Leader of the Council and Cabinet Member for Otterpool Park and Planning Policy – Cllr Jim Martin

Planning

Officers are preparing the new Folkestone & Hythe Local Plan under the new planning system introduced earlier this year. A dedicated website has been set up to make this important Council document accessible and present it in a visual and engaging way.

The Council has completed the first consultation on the local plan, known as the Scoping Consultation. It ran for six weeks, rather than the required three-week minimum, to give local people and organisations more time to comment on the key issues facing the district. Officers are reviewing and collating the responses and will publish a Statement of Scoping Consultation Responses in the next few months.

The planning team are undertaking background evidence work, including the Housing and Economic Land Availability Assessment (HEELA). This involves assessing the suitability of sites submitted through the two ‘calls for sites’.

Officers have met parish and town councils through the District and Parish Council Forum and introduced the local plan at the Council’s Youth Forum. They have also met key stakeholders to understand the issues they consider the plan should address.

A new cross-party Planning Policy Steering Group has been set up to guide and inform work on the local plan. It has considered the vision for the plan and a draft engagement strategy, and will consider detailed policies and site allocations as the plan develops during 2027 and 2028.

We have recently completed the Gateway 1 assessment, the first of three statutory checks on progress with the local plan. The government’s 30-month timetable has now started, with adoption anticipated in April 2029. However, we are still awaiting government guidance on some aspects of the process. The timetable for the wider Kent and Medway Spatial Development Strategy also remains unclear, with detailed regulations still to be published. These uncertainties may affect the local plan timetable.

The second issue of the Planning Newsletter was published in October, with updates on the local plan, planning applications and development projects. It also explains changes to how the Council will determine planning applications under the government’s new National Scheme of Delegation. The newsletter helps keep residents informed about planning matters across the district.

We are finalising the annual Infrastructure Funding Statement (IFS), which is due to be considered by the Planning Policy Steering Group on 12 November before Cabinet in December. It identifies infrastructure needs, costs and anticipated funding

from developer contributions, and explains how we intend to spend those contributions to improve infrastructure across the district.

Work on Design Codes continues with our East Kent colleagues.

Development Management

New government regulations took effect at the end of October, which have changed the way Councils can make decisions on planning applications. The National Scheme of Delegation has required changes to the Council's constitution and the planning team moved swiftly to provide several training sessions for District Councillors, Town and Parish Councils to prepare them for these changes.

The Council's planning service continues to set exceptional performance standards for speed of decision making across the county, region and country.

Folkestone and Hythe is consistently the top performing Local Planning Authority in Kent and is in the top 1% both regionally and nationally.

On average 90% of decisions are being issued within the governments deadline of eight weeks. More applications are being approved, with fewer refusals (down to 10%) and less appeals. The Council's performance in defending appeals remains higher than the national average.

Otterpool

The Council entered into a collaboration agreement with Homes England in February 2025 to accelerate the delivery of Otterpool Park garden town. FHDC and Homes England have worked on an updated delivery strategy, a phasing plan, a financial business plan, a planning strategy and a cost infrastructure delivery plan.

On 1 October 2026, amendments and updates to the Outline Planning Application were submitted. The updates are focussed on the supporting information, making sure the planning application reflects the current position. Updating the information will allow the project to move forward towards delivery. The amended submission also includes an Early Homes Parcel located in the eastern part of the site, which is intended to come forward as the first part of the development.

The consultation period ended on the 14th November and the application will be reported to the Planning and Licencing Committee in due course.

The planning application for the Waste Water Treatment Works was approved by KCC in April this year.

Cabinet Member for Waste and Street cleansing and Corporate Health & Safety - Jeremy Speakman

Waste and Street Cleansing

- Ongoing liaison with the public and the Waste Management Team to ensure that day-to-day issues and complaints from the public relating to refuse collection and street cleansing are promptly addressed.

- Ongoing review of current waste management and collection arrangements to ensure maximum efficiency and value for money for residents.

- Ongoing liaison with enforcement and Waste Management Team to resolve fly tipping issues

- Regular liaison meetings and support to local groups such Hythe Environmental Community Group, Go Folkestone and Romney Marsh Litter Pick Watch to promote their valuable contribution to the Circular Economy through such initiatives as e-waste recycling scheme.

- The Waste Management Team continues to work on the ‘Raise the Rate’ campaign and other campaigns.

- Veolia continues to perform very well in terms of low rates of missed bins, operating well within the contract standard of less than 50 misses per 100,000 collections.

- Work continues on the two main waste and recycling project – Implementation of the ‘Simpler Recycling’ changes to collections and the next contact/service arrangement which need to be operational from early Jan 2029.

- The Implementation of Simpler Recycling proceeds well. We already have over 90% of the district receiving a recycling cycle. Earlier this year, with strong support from housing colleagues, the team recently completed the rollout of communal food recycling bins to the remaining housing communal properties not currently receiving a service. Attention has now turned to the remaining private communal properties.

Health and Safety Update

<u>Accidents and Incidents</u>

Description	Q1	July	August	Sept	YTD
Accidents	**4**	**2**	**4**	**2**	**12**
Incidents/dangerous occurrences	**0**	**0**	**1**	**0**	**1**
Verbal/physical abuse incidents	**16**	**1**	**4**	**6**	**27**
Near-miss reports	**3**	**0**	**3**	**0**	**6**
RIDDOR	**0**	**0**	**0**	**1**	**1**
H&S spot checks	**22**	**6**	**6**	**7**	**41**

Accidents

One accident was reported to HSE under RIDDOR, an employee rode a ride on mower too close to the edge of a bank, resulting in this falling from a 3m height, the employee suffered with fractured ribs and had over 7 days off of work (both aspects are reportable under RIDDOR); investigation is now complete. A safety bulletin has been shared with relevant Grounds Maintenance equipment operators to reinforce safe working. Associated risk assessments and safe systems of work were also reviewed and updated.

Verbal abuse / Physical attack

Six verbal abuse incidents reported in September:

- One by telephone.
- One at a corporate debt court hearing: employee safety assessment completed; customer barred from Civic Centre and added to Customers of Concern Register.
- Four in CAP area involving one customer: safety assessments in place for both Civic Wardens; CPW issued and CPN threshold under review. Customer banned from Civic Centre and added to Customers of Concern Register.

Risk Assessments and Safe Systems of Work

- Grounds Maintenance: risk assessments and safe systems review with new documentation under way. Completion anticipated by financial year-end.
- Engineering and Buildings/Maintenance: risk assessments and safe systems review in progress, covering hazards, controls, responsibilities and procedures.

Health and Safety Audits

- Audits completed at all Grounds Maintenance depots and Hythe Pool.
- Minor non-conformities: signage, first-aid supplies, overdue PAT, COSHH and training needs. Managers notified to progress and monitor corrective actions.

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This Report will be made public on 16 November 2026

Report Number: **OS/26/14**

To:	**Overview and Scrutiny Committee**
Date:	**24 November 2026**
Status:	**Non-executive decision**
Responsible Officer:	**Ewan Green, Monitoring Officer and Director for Strategy & Resources.**

SUBJECT: **OVERVIEW & SCRUTINY COMMITTEE WORK PROGRAMME TRACKER 2026/27**

SUMMARY: This report presents the Overview and Scrutiny Committee Work Programme Tracker for 2026/27, providing an update on forthcoming agenda items, standing items, referrals from Full Council, and progress against recommendations made by the Committee.

RECOMMENDATIONS:

1. **To receive and note report OS/26/14; and,**
2. **To receive and note Appendix 1 (OSC Work Programme Tracker 2026/27.**

Overview & Scrutiny Committee

Work Programme Tracker 2026/27 Folkestone & Hythe District Council

OSC Work Programme Main Items

Item / Report Title	Meeting Date	Responsible Cabinet Member / Portfolio	OSC Recommendations	Executive Update / Action Taken
Introducing 20 Minutes' Free Parking to Support Town Centre Revitalisation (OS/26/01)	2026-05-26	Polly Blakemore - Transport, Regulatory Services & Building Control	• To receive and note report OS/26/01 • To recommend to the Cabinet Member for Transport that the points raised by the Committee be given further consideration	When setting fees for the next financial year, consideration will be given to the issues raised by the committee
Sports & Leisure Strategic Approach – Hythe Pool and Martello Lakes (OS/26/02)	2026-05-26	Mike Blakemore - Community & Collaboration Connor McConville - Assets & Local Government Reorganisation	• To receive and note report OS/25/02 • To consider the proposals for Martello Lakes and Hythe Pool and provide feedback for Cabinet and the Corporate Leadership Team	The Committee's feedback was incorporated into the Cabinet reports seeking approval for both projects. The Overview and Scrutiny Committee also recommended that the matter be referred back to the Committee at a later date for further consideration.
Folkestone Town Centre Operating Model (OS/26/03)	2026-05-26	James Butcher - Place Plan, Heritage, Tourism and District Economy	• To receive and note report OS/26/03 • To provide feedback to Officers	The Cabinet Member and officers have taken the Committee's feedback into account and will ensure it is reflected in the final model.
Improving Street Lighting	2026-07-28	Polly Blakemore - Transport, Regulatory Services & Building Control	• To receive and note report OS/26/04 • To note the response provided by Kent County Council; and, • That officers seek further clarification from Kent County Council on the matters raised by the Committee and invite the Kent County Council Councillors representing divisions	Officers are seeking further clarification from Kent County Council on the matters raised by the Committee. Kent County Council Members representing the divisions within the district will also be invited to provide their views on street lighting provisions in their respective

			within the district to provide their views on street lighting provisions within their respective areas.	areas. An update will be provided to the committee in due course. **UPDATE**: Further clarification has been received from Kent County Council in response to the matters raised by the Committee. Kent County Council's response has been circulated to Overview and Scrutiny Committee Members for information.
Local Government Reorganisation	**2026-07-28**	Connor McConville - Assets & Local Government Reorganisation	• That report OS/26/05 be received and noted; and, • That the comments and feedback of the Committee be provided to the Cabinet and Corporate Leadership Team.	The Committee's comments and feedback have been provided to the Cabinet and Corporate Leadership Team for consideration.
Private Sector Enforcement Policy.	**2026-09-22**	Rebecca Shoob - Housing and Homelessness	• To receive and note the presentation and update on the implementation of the revised Private Sector Housing Enforcement Policy and the Renters' Rights Act 2025; and, • That an update on the implementation of the revised Private Sector Housing Enforcement Policy and associated enforcement activity be added to the Overview and Scrutiny Committee Work Programme Tracker for consideration in approximately 12 months.	The Committee welcomed the revised approach to private sector housing enforcement and supported the Council's preparations for implementing the Renters' Rights Act 2025. Members requested that the final revised policy be circulated when available and highlighted the importance of ongoing communication with both landlords and tenants. The Committee also requested that a future review be undertaken after the new arrangements have been operational for an appropriate period, including information on enforcement activity, outcomes and service capacity. A review has therefore been added to the Work Programme Tracker for

				consideration in approximately 12 months.
Housing Allocations Policy	**2026-09-22**	Rebecca Shoob - Housing and Homelessness	• To receive and note report OS/26/08; and, • To comment on the draft revised Folkestone and Hythe Housing Allocations Policy and provide the Committee's feedback to Cabinet.	The Committee's comments were provided to Cabinet for consideration as part of the ongoing review of the Housing Allocations Policy.
Waste Management Contract	**2026-11-24**	Jeremy Speakman - Waste and Street Cleansing and Corporate Health & Safety	—	—
Empty Homes	**2027-02-02**	Rebecca Shoob - Housing and Homelessness	—	—
Coastal resilience due to growing extreme weather / climate change	**2027-02-02**	Stephen Scoffham - Climate, Environment and Bio Diversity	—	—
Creation of pedestrian strategy/plan; joined up approach with other partners	**2027-03-02**	Mike Blakemore - Community & Collaboration	—	—
Stodmarsh Nutrient Neutrality Strategy	**2027-03-02**	Stephen Scoffham - Climate, Environment and Bio Diversity	—	—

Standing Items and Items Referred from Full Council

Item / Report Title	Meeting Date	Responsible Cabinet Member / Portfolio	OSC Recommendations	Executive Update / Action Taken

Community Safety Partnership (statutory item)	**2026-11-03**	Mike Blakemore - Community & Collaboration	—	—
Otterpool Park LLP Business Plan	**2026-11-24**	Jim Martin - Otterpool Park and Planning Policy	—	—
Housing tenant satisfaction survey results	**2026-11-24**	Rebecca Shoob - Housing and Homelessness	—	—
Cabinet Member updates	**ALL**	Not Applicable	—	—
Nationally Significant Infrastructure Project (NSIP) Schemes on The Romney Marsh - Petition	**2026-02-26**	Jim Martin - Otterpool Park & Planning Policy Stephen Scoffham - Climate, Environment & Biodiversity	• To receive and note report OS/25/14. • To report back to Full Council with the Committee's observations and feedback on the proposed NSIP solar schemes; and, • To recommend that the Overview and Scrutiny Committee hold a further meeting to continue its examination as more detailed information becomes available, enabling a coordinated and joined-up recommendation to be provided to Full Council.	The Committee's views were reported to Full Council on 24 June 2026 (report). A special meeting of the Planning and Licensing Committee is scheduled for 21 July 2026 to consider the South Brooks Solar Farm proposal (report).
Motion on Notice (1 April 2026) - Water testing in Romney Marsh and the East Stour (Conservative Group)	2027	Stephen Scoffham - Climate, Environment and Bio Diversity	—	Work on the Water Testing Motion was paused during the 2026 bathing water season to prioritise operational monitoring activities. Progress has now resumed, with work underway with the Environment Agency to identify appropriate sampling locations and testing requirements. It is anticipated that Recommendations 1 and 2 of the motion will be completed and reported in early 2027.

				Partnership working and data-sharing arrangements under Recommendation 3 are ongoing, and any agreed testing outcomes will be reported publicly and referred to Overview and Scrutiny in accordance with Recommendation 4 of the motion.
Full Council 24 June 2026 - District wide Community Benefit Policy for large-scale energy and infrastructure schemes.	TBC	Jim Martin - Otterpool Park & Planning Policy Stephen Scoffham - Climate, Environment & Biodiversity	—	—

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